

**House Appropriations Human Services Division  
Representative Jon Nelson, Chair  
February 5, 2025  
HB 1012**

Chairman Nelson and members of the House Appropriations Human Services Division,  
Good morning. For the record my name is Todd Schaffer and I serve as Sanford Health Bismarck  
President/CEO and president of the N.D. Hospital Association.

Thank you for this opportunity to testify in support of HB 1012 and thank you for supporting the  
multitude of programs funded through this important budget bill. I would like to use this time to talk  
about successful initiatives you have fostered through strategic initiatives and sustainable Medicaid  
reimbursement rates and how we are partnering with the N.D. Department of Health and Human  
Services (DHS) to better serve patients and their families.

**Quality/VBP**

We appreciated the opportunity to participate in the Health Care Task Force over the last 18 months to  
tackle the topic of health care costs, access to services and information sharing. One of the task force's  
recommendations was to focus on improving quality. We strongly support that recommendation and see  
great potential of bringing multiple stakeholders together to address specific areas needing  
improvement.

Improving quality entails many things - maximizing the use of preventive services such as vaccinations  
and well-child visits, increasing compliance with screenings such as mammograms and colonoscopies and  
managing chronic diseases such as diabetes and heart disease. More than half of healthcare costs in the  
United States are attributed to preventable chronic diseases; by working together we can help patients  
and their families prevent illness and make positive choices to improve overall health.

Improving quality is increasingly embedded in value-based purchasing (VBP) programs, meaning  
reimbursement from Medicaid, Medicare and private payors is based upon meeting quality metrics. This  
is an important transition from fee-for-service care models to pay-for-performance.

**N.D. Medicaid VBP** The traditional Medicaid VBP program is an excellent example of a successful public-  
private partnership designed to improve healthcare. North Dakota PPS hospitals have been working with  
N.D. Medicaid for more than two years to create the meaningful, sustainable program now underway.

Initial conversations with DHS were focused on selecting the right metrics to truly improve the wellbeing  
and outcomes for North Dakota's Medicaid-covered individuals and families. One of the  
recommendations from the State was fluoride treatments for children. Although this is not a treatment  
typically offered in medical clinics, as you have heard N.D. Medicaid Director Sarah Aker explain, our

Medicaid-covered children have poor access to dental services. Recognizing the important need to provide this preventive service, we are in the process of building workflows to offer fluoride treatments to Medicaid-covered children.

As you have seen, North Dakota is below average on this measure, but keep in mind we are just beginning to focus on fluoride as a quality measure. Providers are ramping up to offer this service consistently to Medicaid-covered families and we anticipate the measure will increase markedly within a year.

Another measure – depression screenings – is a metric we are working to improve in multiple ways. You may recall the metrics you saw for North Dakota providers were also below national averages. One of the reasons the reported scores on this measure are low is that there is a gap in reporting data to the State. As you heard Ms. Aker explain, by working together we realized Medicaid's data does not reflect visits that are covered by other payers. With depression screenings, as an example, if a patient has both Blue Cross Blue Shield and Medicaid coverage, the bill is first sent to BCBS; if BCBS covers the service, Medicaid is not billed (i.e. Medicaid is informed the service was provided). In the case of depression screenings, we are working with the State's vendor to submit supplemental data in an ingestible form for the State's system.

In addition to addressing data gaps, we are working on operational improvements to increase the number of patients screened. One example of this work is automating the screening for those patients who use MyChart. If you have had an appointment lately, you may have noticed that when you complete the online check-in process, MyChart asks you a couple of questions related to depression. Depending on how you answer, it will trigger additional screening questions when you have your visit. Additional changes to better meet patients' needs in the area of depression include:

- Embedding behavioral health providers in our primary care clinics and specialty clinics
- Deploying technology to periodically check in on patients through text messages
- Expanded tele-behavioral

Challenges to serving patients and their families covered by Medicaid are unique in that this population struggles disproportionately with social determinants of health. Increasing the number of well-child visits, as another example, requires focused resources and operational changes to support families who need housing, transportation, childcare, expanded hours and access to nutritious food.

The bottom line is that the VBP partnership is going well, and we are moving in the right direction. Next steps will include increased collaboration on how we – the State, hospitals and additional partners such as public health – can work together to find innovative ways to continually improve quality.

It is important to note that North Dakota hospitals have been successful in numerous value-based, quality improvement programs. In the last two years, Sanford Fargo and Sanford Bismarck received 5-

star and 4-star status awards, respectively, from the Centers for Medicare and Medicaid Services (CMS). Hospitals throughout the state have achieved similar awards recognizing quality and affordability.

## BEHAVIORAL HEALTH

As with the N.D. Medicaid program, partnering with DHS behavioral leadership team is appreciated and making a positive impact on the patients we serve. Our team had the opportunity to share a comprehensive overview of our behavioral health program at the April 8, 2024 interim Human Services Committee meeting. The presentation<sup>1,2</sup> included a bottom-up overview of our services, i.e. our community partnerships, State partnerships, outpatient services, acute inpatient services and growth.

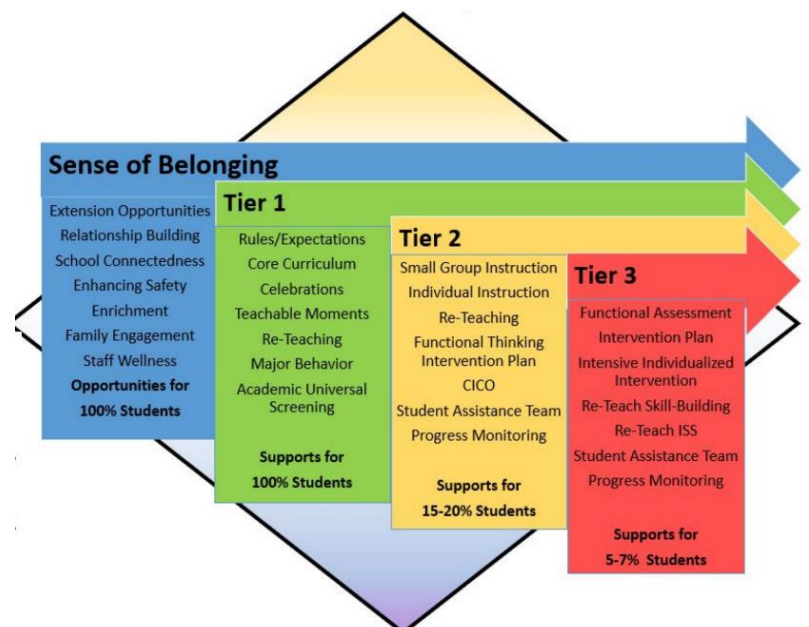
Thank you for the many policy decisions you have supported to help private providers increase access to behavioral health, including:

- PSYPACT
- Counselor training supervision
- Medicaid reimbursement for predoctoral psychology interns

### School-based care: Multiple tiered systems of support (MTSS)

Initiated in 2017 by the DHS Behavioral Health Services Division and funded by this committee, the multiple tiered systems of support (MTSS) pilot program began as a partnership between the State, Simle Middle School and Sanford Health. Designed to support students and their families, the model improves student outcomes while conserving limited behavioral health provider resources. The model teaches school teams to provide a tiered approach to interventions, problem solving and collaboration.

The tiered support program helps 100s of students and their families get the help they need; those students that are identified as needing support from a licensed therapist are referred to our behavioral health provider who meets with the student at the school (or virtually), removing barriers to care and improving



<sup>1</sup> <https://ndlegis.gov/sites/default/files/committees/68-2023/25.5103.02000presentation0940.pdf>

<sup>2</sup> <https://video.ndlegis.gov/en/PowerBrowser/PowerBrowserV2/20240408/-1/31970> (video begins 9:32:30)

collaboration with the school's team. The successful model has achieved reductions in disciplinary actions such as visits to the principal's office and referrals to youth police services.

Sanford's school partnerships have grown to seven schools located in Bismarck, Wilton and Dickinson. We are committed to continuing this work with all schools that commit to completing the MTSS training. In 2024 we provided more than 2,000 visits to students.

### **Behavioral health in western North Dakota**

We have prioritized creating access to services in our Dickinson footprint, essentially building an entire service line where previously one did not exist. We have hired a psychologist, an LPCC and licensed certified social workers. Our care coordinators – supported by an NDDHHS grant – manage high-risk patients, providing critically important coordination and crisis services.

In terms of **overall behavioral health workforce**, we have focused on growing our outpatient and acute care services on all levels. Over the last five years, our Fargo market increased from 73 providers (psychiatrists, psychologists, nurse practitioners and master's level therapists) to 98. Our Bismarck market nearly doubled, growing from 20 providers to 39.

A key to growing our behavioral health workforce is to train students in our North Dakota facilities. Sanford provides the following training programs:

- **Psychiatry:** Adult psychiatry residency program, psychiatric nursing, psychiatric mental health nurse practitioner clinical rotations and supervision for rural communities
- **Psychology:** Practicum students, predoctoral internship, postdoctoral residency (launching this year)
- **Master's level therapists:** Student-led clinics, sponsorships, supervision for independent licensure

### **Workforce development**

Switching gears to workforce development in general, all North Dakota healthcare providers have been working hard to find innovative and sustainable ways to recruit and retain workforce. As part of the legislature's study on the topic of contract nursing, note Sanford Health Human Resources Vice President DJ Campbell gave a comprehensive overview<sup>3,4</sup> of Sanford's workforce development initiatives at the Aug. 30, 2023 interim Health Care Committee.

Sanford provides more than 150,000 hours of clinical training for nursing students each year and we train medical students and residents in primary care and several specialty areas including neurology, psychiatry and orthopedic surgery. Between now and next year we will launch fellowship programs in cardiology and surgical critical care in Fargo and an internal medicine residency program in Bismarck. We

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<sup>3</sup> [https://ndlegis.gov/sites/default/files/committees/68-2023/25.5026.02000\\_presentation1415c.pdf](https://ndlegis.gov/sites/default/files/committees/68-2023/25.5026.02000_presentation1415c.pdf)

<sup>4</sup> <https://video.ndlegis.gov/en/PowerBrowser/PowerBrowserV2/20230829/-1/31797> (video begins 2:08:40)

also train radiology technologists, respiratory therapists, emergency medical responders and paramedics.

**Internationally-educated nurses** Last session you approved the creation of a state Office of Legal Immigration. The acknowledgment and support for recruiting much-needed workers from other countries is sincerely appreciated. Sanford has hired 446 internationally-educated nurses in our Fargo and Bismarck facilities. The nurses are highly-qualified – they must pass the National Council Licensure Examination (NCLEX) and an English proficiency exam – and they are eager to join our workforce. By working to create a well-designed orientation program (360 hours per nurse) and robust community support program aimed at helping nurses and their families find housing and community connections. Our retention rate thus far is over 75 percent.

Collectively, our workforce development programs and IEN successes have helped us reduce the number of contract nurses, a.k.a. travel nurses, necessary to staff our hospitals and clinics. In 2020, Sanford spent more than \$25 million to hire 464 independent contract labor staff on varying assignments to offset staffing gaps in our clinics and hospitals. Flash forward to 2025 and we have reduced our need for contract labor to about 100 contracted nurses thanks in large part to workforce development programs created and supported by our state legislature.

### **Capital investments**

With your support, hospitals across the state have been able to invest in expanding access via programming and capital construction products. At Sanford Bismarck we have maximized every square inch of our facilities and are working hard to meet growing demand. Our hospital operates beyond capacity most days, setting record-high visits in our emergency room, hospital admissions and deliveries. To accommodate demand we staff every bed, expanded our emergency room capacity and have implemented multiple initiatives and construction projects to improve efficiency. To alleviate some of the pressure our emergency room, we built an urgent care center in south Bismarck and are adding 36 hospital rooms. We could not make these improvements without your support.

Chairman Nelson and members of the committee – I want to again thank you for your time today and for supporting the many programs that positively impact the patients and communities we serve. I would welcome any questions you might have.

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