Mental Health Advocacy Network

Consumer & Family Network
Mental Health America of ND
Youth Move Beyond
The Arc of Bismarck
Federation of Families for Children's Mental Health
Protection & Advocacy Project
ND Association of Community Providers
Fraser, Ltd.
Individual Consumers & Families

Senate Appropriations-Human Resources Committee
SB 2096 Testimony
January 20, 2025
Senator Dever, Chair

Good morning, Chairman Dever and Members of the Senate Appropriations- Human Resources Committee. I am Carlotta McCleary, Executive Director of Mental Health America of North Dakota and Executive Director of the North Dakota Federation of Families for Children's Mental Health. Today I speak on behalf of the Mental Health Advocacy Network (MHAN). MHAN advocates for a consumer/family driven mental health system of care that provides an array of service choices that are timely, responsive and effective. Our vision is for every North Dakotan to have access to the right service—whether it be preventative, treatment, or recovery; at the right time—when the service is needed; and at the right place—as near his or her home as possible.

MHAN is testifying in opposition to SB 2096. MHAN is in support of the building of the New State Hospital, as outlined in Governor Armstrong's budget. North Dakota needs a new state hospital that is therapeutic and safe, in addition to no longer being co-located with the State Prison. The State Hospital serves as a safety net for North Dakotans. Many patients referred to the State Hospital have been referred because they have been turned away by private hospital providers. Increasing regional capacity for service delivery is laudable and desperately needed. As designed, however, SB 2096 would not accomplish that goal. MHAN is greatly concerned about the creation of four additional IMD facilities (presumably operated by the private sector) in the state of North Dakota. The Human Service Centers already provide funding for hospitals for inpatient stays and there are means to have more regional inpatient services through private hospitals by having those services available in their existing facilities.

Rather than allowing private hospitals to integrate inpatient psychiatric services within their existing facilities, SB 2096 would create four separate facilities with a bed capacity of 24 beds. As they are above 16 beds, they would be ineligible to receive Medicaid funding.

MHAN could have also understood the idea of constructing eight facilities at 12 beds (half the proposed 24 bed facilities in four regions of the state), thereby regionalizing North Dakota's inpatient needs while maintaining IMD Exclusion rules. Alas, SB 2096 does not do that. The construction of such facilities as prescribed in SB 2096 could be the catalyst for advocating for an IMD Exclusion Waiver.

What would the consequence of pursuing an IMD Exclusion Waiver be? The state of North Dakota would have to expend millions of dollars and devote immense staffing resources from the Department of Health and Human Services to apply for the waiver, without guarantee to succeed. If the state were to receive the waiver, however, it would have to demonstrate cost neutrality to the federal government with current Medicaid expenditures at a moment in which we are attempting to increase utilization of community mental health services to end our current mental health crisis. Unless the state of North Dakota has unlimited funds, it would be funneling preciously needed resources away from community-based services into institutional care; something that would be tantamount to pursuing the antithesis of recommendations from every major research report funded by the legislature and the Department since the late 1980s. Rather than expand regional services, the consequences of this bill could very well significantly decrease regional services.

This concludes my testimony, and I will be happy to answer any questions you may have.

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