

NORTH DAKOTA LEGISLATIVE COUNCIL

Minutes of the

BUDGET COMMITTEE ON INSTITUTIONAL SERVICES

Tuesday and Wednesday, November 2-3, 1999
Room 124, Learning Resource Center, State Hospital
Jamestown, North Dakota

Representative Merle Boucher, Chairman, called the meeting to order at 12:30 p.m.

Members present: Representatives Merle Boucher, LeRoy G. Bernstein, Jeff Delzer, William E. Gorder, Scot Kelsh, Joe Kroeber, Ralph Metcalf, Chet Pollert; Senators David E. Nething, Harvey Sand, Wayne Stenehjem, Harvey D. Tallackson

Member absent: Representative Rod Froelich

Others present: See attached appendix

It was moved by Senator Stenehjem, seconded by Representative Bernstein, and carried on a voice vote that the minutes of the previous meeting be approved.

BUDGET TOUR

Mr. Alex Schweitzer, Superintendent, State Hospital, presented information on the State Hospital's budget, programs, services, and the hospital's patient population. Mr. Schweitzer reviewed the State Hospital's strategic plan. Mr. Schweitzer said the State Hospital's mission is to provide specialized psychiatric and substance abuse services for individuals whose needs exceed the resources and capacity of other community services.

Mr. Schweitzer commented on the State Hospital's patient population. Mr. Schweitzer said the State Hospital currently has 153 patients. He said the State Hospital's average daily population for fiscal year 1999 was approximately 170 patients while for fiscal year 2000, the State Hospital is projecting its average daily population to be approximately 150. Mr. Schweitzer said total State Hospital admissions have decreased from over 1,700 in fiscal year 1998 to approximately 1,000 in fiscal year 1999. He said for fiscal year 2000, the State Hospital is projecting 800 total admissions.

Mr. Schweitzer reviewed the status of the hospital's 1999-2001 budget. Mr. Schweitzer said current budget projections for the State Hospital for the 1999-2001 biennium indicate revenues of \$49 million, \$2.7 million less than original projections approved by the 1999 Legislative Assembly. He said the revenue shortfall results from a reduction in Medicaid, Medicare, and third-party insurance payments relating to patients that are being served in the community rather than the State Hospital. He said the State Hospital anticipated this shortfall and expects that expenses relating to staffing and direct patient expenses will

also be less than budgeted; therefore, he believes the State Hospital will be able to manage the revenue shortfall.

Mr. Schweitzer reviewed the status of capital construction projects at the State Hospital. He said major capital projects include:

- 1. Demolition of the ABC building - Estimated cost \$128,600. The project is expected to be completed by December 1999.
2. Pumphouse construction - Estimated cost \$221,946. Because the State Hospital intends to demolish the 9 West building, a pumphouse needs to be constructed to move water from the physical plant area to the patient care buildings on the west side of the campus.
3. Boiler replacement - Estimated cost \$750,000 to \$1 million. This project is currently in the design phase and the State Hospital anticipates the new boiler will be installed in August 2000.

Mr. Schweitzer presented the following schedule showing anticipated major repairs and improvements that may be requested from the 2001 Legislative Assembly:

Table with 2 columns: Item description and Amount. Items include Landfill closure (\$414,000), Chemical dependency service building window replacement (200,000), Children and adolescent service building sprinkler system (85,000), Asbestos abatement (114,000), Building code renovations in the Learning Resource Center (100,000), Upgrade hospital fire alarm system (75,000), Roof repairs (100,000), Underground utility tunnel repairs (100,000), Campus roadway repairs (125,000), Parking lot curb, gutter, and paving (50,000), Air-handling system improvements in the chemical dependency service building (100,000), Cooling tower for the Lahaug building (35,000), and Total (\$1,498,000).

Mr. Schweitzer reviewed the sexual offender treatment program operating at the State Hospital as a result of the passage of 1997 House Bill No. 1047. He said the program currently has six patients and is anticipating one additional patient arriving soon. He

said the cost per day per patient in this program is \$541.27. He said the hospital currently has 11 beds available for sexual offenders.

Mr. Schweitzer said the hospital is in the process of reviewing the long-term expansion needs of this program. He said based on national trend information, approximately 10 percent of all sexual offenders who leave prison are civilly committed to these types of programs. He said there are currently 120 sexual offenders in the State Penitentiary which could result in the admission of 12 offenders into this program over the next few years. He said this is in addition to the admissions of individuals who have not yet been incarcerated.

Mr. Schweitzer said the hospital currently does not have a separate budget for the treatment of sexual offenders. He said the funding for the program has been reallocated from other areas of the State Hospital's budget. He said the hospital anticipates needing 20 total beds for this program over the next two to four years. He said the operating budget to treat 20 sexual offenders would total approximately \$6 million. He said the State Hospital is not suggesting this will be an additional budget request for the State Hospital but consideration will need to be given to the future of this program.

A copy of the report is on file in the Legislative Council office.

Representative Boucher expressed concern with the potential cost to the state for the sexual offender treatment program. He said it is important for the Legislative Assembly to be continually updated on the status of this program.

Representative Kroeber asked whether the sexual offender treatment program results in security concerns for the State Hospital. Mr. Schweitzer said security will need to be addressed as the program expands. He said the program may need to be housed in a separate facility at the State Hospital. He said currently the program is collocated with adult psychiatric services. He said the State Hospital is considering various options for relocating the sexual offender program.

Representative Delzer expressed concern that individuals are being placed in this program under plea bargain arrangements rather than serving their sentence in the State Penitentiary prior to receiving services in this program.

Senator Stenehjem suggested the Attorney General's office be asked to comment on offenders being placed in the treatment program rather than serving their sentence at the State Penitentiary.

Chairman Boucher asked the Legislative Council staff to arrange for presentations on how the provisions of 1997 House Bill No. 1047 relating to the sexual offender treatment program are being administered and how this program is affecting the incarceration of sexual offenders.

In response to questions from Representative Delzer and Senator Nething, the State Hospital distributed the following schedule showing the daily rates for the various services at the State Hospital:

State Hospital - Average Daily Rates as of July 1, 1999	
Service	Average Daily Cost
Adult psychiatric services - Admissions	\$472.70
Adult psychiatric services - Sexual offenders and secure beds	\$541.27
Other adult psychiatric services	\$345.20
Children and adolescent services	\$474.64
Chemical dependency services - Inpatient	\$346.88
Chemical dependency services - Residential	\$252.13
Eight Rivers Residential Treatment Center	\$378.88
Transitional living	\$197.39

The committee conducted a tour of the State Hospital, including viewing the 9 West building and the ABC building which are scheduled for demolition; the Lahaug building housing the adult psychiatric service and the sexual offender treatment program, the child and adolescent unit, and the chemical dependency unit.

The committee proceeded to Roughrider Industries at the James River Correctional Center. Mr. Dennis Fracassi, Director, Roughrider Industries, presented information on the programs of the Roughrider Industries program in Jamestown. He said Roughrider Industries constructed a 10,000-square-foot building and began its operations at the James River Correctional Center in April 1999. He said Roughrider Industries currently employs 30 inmates and plans to expand to 60 to 70 inmates in the Jamestown facility. He said Roughrider Industries has developed partnerships with private industries for the Jamestown program. He said one of the partnerships is with Global Electric Motors which builds electric vehicles. He said Roughrider Industries assembles the seats and canvas-type doors for the vehicles. Mr. Fracassi said the other private company Roughrider Industries has developed a partnership with is Acceleration Products, Inc. For this company, he said, Roughrider Industries assembles an exercise unit for individuals to use for strengthening muscles for athletics or rehabilitation.

The committee proceeded to the James River Correctional Center. Mr. Don Redmann, Director, commented on the center's programs, services, and inmate population. Mr. Redmann said the facility began operations in June 1998. He said the facility has a capacity of 240 inmates, 160 men and 80 women. He said the current inmate population is 198, comprised of 158 men and 40 women.

Mr. Redmann said the facility currently has 96.5 FTE positions, including 60 uniformed officers. Mr. Redmann said upon completion of the fifth and

sixth floors, the center is authorized to hire an additional 20 FTE positions.

Mr. Redmann commented on capital improvement projects at the facility. He said upon approval of federal funding, the department will begin the remodeling of the fifth and sixth floors of the facility. Mr. Redmann said the center also plans to construct a front gate security station to allow individuals visiting the center to enter through a small building rather than an outdoor gate system.

Regarding capital construction projects for the 2001-03 biennium, Mr. Redmann said no major projects have yet been identified.

The committee conducted a tour of the James River Correctional Center, including the high security unit (formerly the forensic unit building), the inmate housing facility, and the gymnasium and recreation area.

The committee recessed at 4:45 p.m. and reconvened at 9:00 a.m. on Wednesday, November 3, 1999.

COLLOCATING THE DEVELOPMENTAL CENTER AND THE STATE HOSPITAL

Mr. Schweitzer presented information on the feasibility and desirability of collocating the State Hospital and the Developmental Center at one location and on options and potential cost-savings for sharing services if the facilities are not colocated.

Mr. Schweitzer said the State Hospital and the Developmental Center are exploring the following areas for sharing services if the facilities are not colocated:

1. **Maximizing federal funds** - The institutions are discussing the possibility of transferring developmentally disabled clients from the State Hospital to the Developmental Center. These clients' services will be eligible for federal funding at the Developmental Center while services provided to them at the State Hospital are provided from the general fund.
2. **Combining staff resources** - The institutions are evaluating the following staff services to determine whether expertise can be shared between the two facilities and whether certain departments can be merged:
 - a. Computer systems and personnel.
 - b. Human resources.
 - c. Business office functions.
 - d. Medical records.
 - e. Centralized purchasing.
 - f. Staff development and education.
 - g. Quality assurance.
 - h. Food service, laundry, and engineering.
 - i. Psychiatry and medical services.
 - j. Adaptive equipment.
 - k. General administrative positions.
3. **Contractual services** - The agencies will be reviewing their outside contracts to

determine whether the other institution could provide this type of service.

Mr. Brian Lunski, Superintendent, Developmental Center, presented information on the traumatic brain-injured (TBI) unit at the Developmental Center. Mr. Lunski said the cost per day per patient for services at the TBI facility at the Developmental Center is \$263 per day for the three patients currently being served and would be \$210 per day per patient if the facility served four patients. He said the TBI facility employs nine FTE positions.

Mr. Lunski said the department contacted other states regarding the daily rates at similar TBI facilities and, while it is difficult to compare services between the various facilities, the following schedule presents the daily rates charged at these facilities:

Learning Services Corporation - Durham, North Carolina	\$525
O'Hara Rehabilitation Center - Denver, Colorado	\$233
New Hampshire Department of Health and Human Services - Concord, New Hampshire	\$420
Florida Institute of Neurological Protection - Wauchaula, Florida	\$415
Vista Center - Lisbon, Ohio	\$270 to \$406
Trangram Rehabilitation Network - San Marcos, Texas	\$500

A copy of the report is on file in the Legislative Council office.

Chairman Boucher asked that the department provide the total estimated costs of collocating the Developmental Center and the State Hospital, including the costs of closing a facility and the potential cost-savings that may result from collocating.

Representative Bernstein asked for the cost of building a new facility to house either the State Hospital or the Developmental Center. Mr. Schweitzer said that based on a cost of \$120 per square foot, a facility to house either the Developmental Center or the State Hospital would cost an estimated \$9.6 million.

Senator Nething asked for the effect this study is having on employee morale. Both Mr. Schweitzer and Mr. Lunski reported that the study is of concern to employees and does have a negative effect on employee morale.

Senator Sand suggested the committee soon make a decision on the direction it intends to proceed with this study.

CONSOLIDATING VISION SERVICES

Chairman Boucher commented on the October 6, 1999, meeting of representatives of the Department of Human Services and the Department of Public Instruction regarding vision services. Chairman Boucher distributed a memorandum summarizing the key points from previous committee discussions and

from discussions at the meeting. Major items included in the memorandum include:

1. The committee should:
 - a. Address the delivery of vision services in North Dakota by identifying the menu of services available, the location of these services, the number of individuals accessing these services, and the estimated number of individuals who are unable to access the services and why.
 - b. Evaluate whether the services currently being offered are meeting the needs of persons who are blind or visually impaired and what barriers preclude persons who are blind or visually impaired from accessing the services.
2. Assess the administration of the delivery of vision services in North Dakota by determining the appropriate role for the Department of Public Instruction (School for the Blind), Department of Human Services (Vocational Rehabilitation), and other government and private entities including public schools, human service centers, and independent living centers.
3. Consider options for improving the delivery and administration of vision services that may include:
 - a. Consolidating all vision services under the School for the Blind.
 - b. Consolidating all vision services under the Department of Human Services.
 - c. Consolidating all vision services under a separate agency with its own governing board.
 - d. Continuing the current administrative structure but enhancing the collaboration and coordination of services between the entities.

Mr. Gary Gronberg, Department of Public Instruction, discussed options for consolidating vision services. He said the Department of Public Instruction has met with representatives of the Department of Human Services to discuss issues relating to vision services; identify the menu of services available; and to address options for improving the delivery of vision services, including consolidating all vision services under the Department of Human Services, consolidating all vision services under a separate agency or under the School for the Blind, or continuing the current administrative structure.

Mr. Gene Hysjulien, Director, Vocational Rehabilitation Division, Department of Human Services, presented a schedule showing the menu of vision services available through the Department of Public Instruction (School for the Blind) and the direct services provided to blind or visually impaired persons by the Vocational Rehabilitation Division.

Mr. Hysjulien presented the following issues identified if all vision services are consolidated under the Department of Human Services:

1. Little or no disruption of adult services.
2. May require statutory or constitutional changes relating to the definition and duties of the School for the Blind.
3. Emphasis will be placed on the delivery of services via regional sites.
4. Maintains center-based and community-based options.
5. Federal funding would be assured for older blind persons and those seeking employment.
6. Could utilize the existing network for state-wide coverage.
7. Would minimize the debate of single disability or special services issues.
8. Resources and funding would need to be made available for individuals ages 21 to 54 who are not seeking employment.
9. All adult services would be combined under the Department of Human Services, and school-age services would be moved to the Department of Public Instruction central office and school districts.
10. Resources for center-based services and technology would be moved to the Department of Human Services.

Mr. Hysjulien presented the following issues identified if all services are consolidated under a separate agency for the blind:

1. Maintains center-based and community-based training options.
2. Federal funding may not be assured for services for older blind persons and those seeking employment.
3. May require statutory or constitutional changes in the definition and duties of the School for the Blind.
4. Removes adult vision services from the allied services provided by the Department of Human Services.
5. The role of vision services in dealing with education in local schools would be questioned.
6. Separates vocational counseling, training, and placement services from adaptive skills training services.
7. Staff concentration in one-quarter of the state may cause service coordination problems throughout the state.
8. Removes service delivery age gap from the School for the Blind.
9. Additional FTE would be needed for serving the 21 to 54 age group.
10. Costs would increase dramatically as separate agencies are established for other disabilities.

11. The potential would be greater for developing separate and unique budgets for each disability group.
12. School districts will have to deal with the potential of many disability groups wanting complete separate structures.

Mr. Hysjulien presented the following issues identified if the current administrative structure is continued, but enhanced:

1. Federal funding would be ensured for the older blind program and for those seeking employment.
2. Joint training for vision staff on subjects pertinent to all ages could be coordinated.
3. A continued emphasis would be placed on the expansion of outreach activities for the School for the Blind.
4. Public awareness efforts could be combined.
5. Maintains center-based and community-based options for the delivery of services.
6. Vocational Rehabilitation would be able to purchase services from the School for the Blind rather than duplicate services.
7. Little or no disruption would result in adult services.
8. Increased coordination is needed between independent living centers and individuals ages 21 to 54 who are not interested in employment. Resources would also need to be coordinated.
9. Funding would need to be found to serve the 21 to 54 age group who are not seeking employment.
10. Removing age limitations from the School for the Blind to provide services to all ages would eliminate the need for agencies to purchase various services from the School for the Blind.

A copy of the report is on file in the Legislative Council office.

Chairman Boucher suggested the committee focus its efforts on providing vision services within the current agency structure and not consider creating a new separate agency for vision services.

Mr. Paul W. Schroeder, Midwest Office Director, American Foundation for the Blind, Chicago, Illinois, commented on the vision services study. Mr. Schroeder said people who are blind or visually impaired need to have effective services and dedicated people with adequate training to assist individuals who are blind or visually impaired to learn to be successful.

Mr. Schroeder said the committee needs to recommend an administrative structure that will result in the most effective vision services for the people of North Dakota. He said the American Foundation for the Blind supports the establishment of a separate agency or commission for providing these services. He said the foundation has determined a separate

vision agency is the most effective structure that meets the needs of individuals who are blind or visually impaired.

Mr. Schroeder said consumers should have input in discussions regarding administrative structure and the types of services that are needed within North Dakota.

Mr. Schroeder said while a concern regarding a separate agency may be the loss of federal funds that currently flow through the Department of Human Services other states have received their federal rehabilitation dollars relating to blind and visually impaired services through separate vision agencies.

Mr. Schroeder said vision services are different than services provided to other disability groups because people with vision loss need more intense services initially to make the adjustment to being blind or visually impaired while other disabilities need longer term support services. A copy of the report is on file in the Legislative Council office.

Senator Stenehjem asked for the administrative structure of other state's vision services. Mr. Schroeder said he is unaware of any state that has a blind school as the coordinating agency. He said many states utilize various forms of a separate vision services agency while other states have a structure similar to North Dakota's current structure.

Mr. Schroeder suggested the committee, when designing the administrative structure for vision services, address issues of accountability and consumer input.

Mr. Allan Peterson, North Dakota Association of the Blind, Fargo, commented on the vision services study. Mr. Peterson expressed concern that consumers were not consulted in the development of the options for vision services. He said consumers are asking for effective services. He expressed concern that some services are provided under a fee for service basis because of delays that often occur in the processing of funding requests.

Mr. Peterson said many times when a blind or visually impaired person seeks services they are assisted by a general vocational rehabilitation counselor rather than a specialist who understands blindness.

A copy of Mr. Peterson's testimony is on file in the Legislative Council office.

Chairman Boucher suggested the Department of Public Instruction and the Department of Human Services invite representatives of North Dakota advocacy groups representing blind or visually impaired persons to be present at future meetings when options for providing vision services are discussed.

Mr. Peterson distributed the testimony of Ms. Cheryl Brooks, Grand Forks, regarding the need for enhanced vision services in the state. A copy of the testimony is on file in the Legislative Council office.

Ms. Donna J. Iszler, School for the Blind, commented on the vision services study. She stressed the importance of the use of Braille and Braille training for individuals who are blind. She commented on the difficulties experienced by individuals who are blind or visually impaired, especially during the initial transition period. She said these individuals often need immediate help, and it is important to have immediate and accessible services available. A copy of her testimony is on file in the Legislative Council office.

Mr. Paul Olsen, School for the Blind, commented on the vision services study. Mr. Olsen said employees of the School for the Blind and the Division of Vocational Rehabilitation have a good working relationship. He understands how accessing the services can be difficult, especially for older individuals. He said the two departments attempt to refer people to the appropriate person who can provide assistance to them and many times followup to be sure the individual received the assistance needed.

Mr. Nate Aalgaard, Director, Freedom Resource Center, Fargo, commented on the vision services study. He said independent living centers provide services to individuals with all disabilities and of all ages. He said the centers provide a variety of services, including advocacy, training, and support.

Senator Stenehjem suggested the Department of Human Services and the Department of Public Instruction meet again and include representatives of the North Dakota Association of the Blind to develop methods of providing these services and to discuss how these services could be consolidated under the School for the Blind.

Senator Tallackson suggested that outreach staff providing services to individuals who are blind or visually impaired be located at the human service centers.

Representative Gorder suggested that individuals ages 21 to 54 be eligible to receive services and asked for an estimate of the cost to serve this group.

Senator Nething suggested the committee assess the delivery of vision services in North Dakota by identifying the location of vision services across the state and whether these services are meeting the needs of individuals who are blind or visually impaired before the committee considers options for improving the services or restructuring the administration of these services. Chairman Boucher asked the Legislative Council staff to work with the departments to compile this information for the committee.

The committee recessed for lunch at 12:30 p.m. and reconvened at 1:15 p.m.

RESIDENTIAL TREATMENT CENTERS AND RESIDENTIAL CHILD CARE FACILITIES

The Legislative Council staff presented a memorandum entitled *Foster Care Facilities - Daily Rates and Lengths of Stay* which compares the daily rates

paid by the Department of Human Services to foster care facilities in state to those facilities out of state. The Legislative Council staff said the in-state rates vary from \$81 to \$260 per day while the out-of-state rates vary from \$69 to \$258 per day.

The Legislative Council staff said reviewing Department of Human Services statistics on 34 children which, within the last two years, have returned from out-of-state facilities, the average number of days a child was in an out-of-state placement was 389 days.

Chairman Boucher asked for information comparing the types of services provided at each of the in-state and out-of-state facilities.

Mr. Don Snyder, Independent Living Administrator, Department of Human Services, presented information on children placed in foster care facilities, unmet service needs, and the need for additional foster care facilities.

Mr. Snyder said North Dakota currently has 34 youth who are receiving services outside of the state, which is 3.5 percent of all the children in foster care.

Mr. Snyder said the cost of out-of-state care in 1998 totaled \$1,956,000. He said for 1999 the department estimates the cost of out-of-state care to be approximately \$1,850,000.

Mr. Snyder said the department is in the process of evaluating youth placed out of state to identify the barriers or unmet service needs within North Dakota. He said the department hopes to develop methods of fulfilling the needs of children currently being placed out of state within North Dakota in order to reduce the number of out-of-state placements.

Mr. Snyder reviewed the barriers that result in children being placed out of state and the profiles of the children placed out of state. He said the majority of children placed out-of-state have previously been in a North Dakota facility. A child may not be accepted at a North Dakota facility for a variety of reasons that may relate to the child's IQ, service needs, or other health needs.

Mr. Snyder reviewed the average length of stay for children placed in facilities within North Dakota. Mr. Snyder said the average varies from 4 to 12 months.

A copy of the report is on file in the Legislative Council office.

Mr. Walter Odegaard, Prairie Learning Center, commented on foster care facility services. Mr. Odegaard said it is important to keep children who must be placed in a foster care facility in North Dakota and close to home. He expressed concern that facilities are not reimbursed for the full cost of providing services to these children. He said the facilities are required, on average, to raise privately 33 percent of their funding needs.

Mr. Odegaard said it is difficult for North Dakota facilities to enhance their services to meet the needs

of some of the children being placed out of state when the state limits funding reimbursements for services provided to these children.

OTHER RESPONSIBILITIES

Mr. David Zentner, Director, Medical Services, Department of Human Services, reported on the status of the nursing facilities alternative grant fund and alternative loan fund programs. Mr. Zentner said the Health Care Financing Administration, on September 22, 1999, approved North Dakota's plan for an intergovernmental transfer program which involves calculating the differential between Medicare rates and the rates paid by Medicaid to North Dakota nursing facilities.

Mr. Zentner said while the department has not yet determined the final amount which will be generated as a result of the intergovernmental transfer program, it appears the funding will be substantially more than originally estimated. He said the funding generated from the intergovernmental transfer program could total as much as \$20 million to \$30 million per year.

A copy of the report is on file in the Legislative Council office.

The Legislative Council staff presented a memorandum entitled *State Health Council Authority to Approve Alternative Health Care Services Pilot Projects* which reviews the statutory authority of the State Health Council to expand the number of basic care beds. The Legislative Council staff said North Dakota Century Code Section 23-01-04.3 authorizes the State Health Council to approve alternative health care services pilot projects. The Legislative Council staff said the State Health Council may approve no more than three separate projects that would be operating at the same time, and no project may continue for more than five years.

Representative Delzer asked for the number of pilot projects that are currently approved by the State Health Council. Chairman Boucher asked that this information be provided to the committee.

Mr. Zentner reported on the status of the establishment of a TBI facility in western North Dakota and on the projected costs of a facility. Mr. Zentner said that Housing, Industry, and Training (HIT), Inc., Mandan, is interested in developing a facility in western North Dakota and has obtained approval from the State Health Council to establish a pilot project. He said the pilot project was approved in 1998; however, the department is unaware whether HIT, Inc., has made a final decision regarding the location of the facility.

Mr. Zentner said while the actual cost of a new facility cannot be determined, the department can estimate a cost based on payment limits and on the experience of the TBI facility located at the Developmental Center. He said based on Medicaid and Social Security income guidelines, a TBI facility must keep room and board costs at or below \$430 per month or the facility will incur a loss for residents

eligible for the Medicaid waiver. He said the service rate that includes all services necessary to provide 24-hour care to residents of the High Soaring Eagle Ranch in Valley City is \$89.35 a day. Based on a daily cost of \$90 per day or \$2,700 per month and based on the current federal financial participation rate of 70.42 percent, he said, the monthly cost to the general fund for each resident eligible for the Medicaid waiver would be approximately \$800.

A copy of the report is on file in the Legislative Council office.

Ms. Avis Dissell Peet commented on the establishment of a TBI facility in western North Dakota. Ms. Peet expressed concern regarding the lack of activity associated with the establishment of a facility for TBI individuals in western North Dakota. She had hoped that HIT, Inc., would have already begun construction of a facility in western North Dakota; however, she said no action has yet occurred. She stressed the need for a TBI facility in western North Dakota. A copy of her testimony is on file in the Legislative Council office.

Chairman Boucher asked that the committee receive information on the estimated number of individuals with traumatic brain injury in western North Dakota.

Mr. Zentner reported on the status of Alzheimer's and related dementia projects. Mr. Zentner said department staff and Ward County social services staff made a site visit in October 1999 to the Baptist Home in Kenmare, the state's only Alzheimer's and related dementia project facility. He said the facility is meeting its intended purpose of providing quality care to individuals at a cost that is less than that of nursing facility care. He said the cost is approximately \$80 per day compared to the average cost of nursing facility care of \$89 per day.

Mr. Zentner said the department issued an application for new pilot projects in August 1999 and to date has received seven applications from nursing homes across the state interested in providing Alzheimer's and related dementia services. A copy of the report is on file in the Legislative Council office.

BUDGET TOUR

The committee traveled to the South Central Human Service Center.

Mr. Rolf Storsteen, Director, South Central Human Service Center, welcomed the committee to the center. He said the center operates eight satellite offices in its region.

Mr. Carter Van Beek, Licensed Social Worker, South Central Human Service Center, commented on emergency services provided at the human service center. He said the center, since July 1999, screens all admissions to the State Hospital. He said one of the center's options for providing services as an alternative to the State Hospital is to utilize the center's 12-bed crisis residential unit. He said the center has

had a total of 272 admissions to its crisis residential unit from January through October 1999. He said the average daily occupancy of the unit varies from 8 to 10 residents.

A copy of the report is on file in the Legislative Council office.

Ms. Debbie Gletne, Aftercare Coordinator, South Central Human Service Center, provided information on aftercare services provided by the center. She said aftercare services are generally provided to individuals referred from an inpatient psychiatric treatment program such as the State Hospital. She said the center provides continued treatment on an outpatient basis. She said the aftercare coordinator is a vital link in communications between the hospital treatment team, the client, the outpatient treatment team as well as community support services.

Ms. Gletne said communications and coordination between the hospital and community-based services will continue to be vital in developing discharge plans and allowing these individuals to live successfully in the community.

A copy of the report is on file in the Legislative Council office.

Ms. Donna Lindberg, Case Manager, South Central Human Service Center, commented on the duties of a case manager.

Ms. Lindberg said many hospitalizations are able to be averted through aggressive case management services. She said case management services include monitoring an individual's condition through direct visits or telephone contacts with the individual and community support service representatives. She said the case manager provides independent skills evaluation and training, interpersonal skills training, socialization, symptom identification, and, if the individual prefers, vocational exploration.

Ms. Lindberg commented on the independent living program provided in Valley City. She said 10 individuals have been discharged from the State Hospital into this program. She said the program provides 24-hour supervision to individuals living in their own apartments within one housing complex. She said the focus of the program is to assist individuals to live successfully in a community setting. She commented on the success of this program in allowing these individuals to live in the community rather than the State Hospital.

A copy of the report is on file in the Legislative Council office.

Ms. Laurie Kramer, Children and Family Services Unit, South Central Human Service Center, commented on services provided by the Children and Family Services Unit. She said the unit provides comprehensive family-based services within the nine-county south central region. She said the children and families served by this unit often experience multiple problems that impact every area of their lives. She said the unit provides individual and family

therapy, crisis intervention, case management, parenting education, and case aide services. Services are community-based and often are provided in the child's home, school, or community. Ms. Kramer provided examples of how the unit, in working with parents, children, and other community support personnel, have assisted children to stay with their family rather than being placed in a residential facility. A copy of the report is on file in the Legislative Council office.

Ms. Karalee Marsaa, Licensed Addiction Counselor, South Central Human Service Center, provided information on the alcohol and drug day treatment program.

Ms. Marsaa said services are provided on a community level as an alternative to inpatient alcohol and drug abuse treatment. She said the State Hospital daily reassesses an individual admitted to the State Hospital for detoxification to determine whether they are stable enough to be involved in the day treatment program at the South Central Human Service Center. She said as a result of this screening process at the State Hospital, a number of clients who would have been treated at the State Hospital are now being served in the center's day treatment program. If a client is from out of town, she said the client has the option of residing at the crisis residential unit.

A copy of the report is on file in the Legislative Council office.

Mr. Mark Anderson, Business Manager, South Central Human Service Center, presented information on the center's budget. Mr. Anderson said the 1999-2001 biennium budget for the center totals \$9.6 million, \$5.1 million of which is from the general fund, and he said the center is authorized 79 FTE positions.

Mr. Anderson said of the center's budget, 85 percent is dedicated to client services and 15 percent to administration and support. Mr. Anderson said because of the increased usage of the crisis residential unit, the center is currently projecting a \$50,000 operating deficit for the facility. In addition, because of salary funding reductions associated with vacant positions approved by the 1999 Legislative Assembly, the center is continuing to leave a number of positions vacant, including a temporary doctor position that the center had been using to provide psychiatric services to clients. He said the center is also using temporary positions to deliver services in outlying areas, including a human relations counsel, or a case manager, and part-time nurse in Valley City. By hiring temporary positions to serve these areas, he said, the center is able to save money by not having to pay for travel time and by not having to pay fringe benefits. He said the center recently hired a nurse practitioner to do medication management which allows the center's doctors to use their time for psychiatric evaluations.

A copy of the report is on file in the Legislative Council office.

The committee conducted a tour of the South Central Human Service Center.

The committee adjourned subject to the call of the chair at 5:10 p.m.

Allen H. Knudson
Senior Fiscal Analyst

Chester E. Nelson, Jr.
Legislative Budget Analyst and Auditor

ATTACH:1