

**2015 HOUSE HUMAN SERVICES**

**HB 1280**


# 2015 HOUSE STANDING COMMITTEE MINUTES

**Human Services Committee**  
Fort Union Room, State Capitol

HB 1280  
1/26/2015  
Job #22502

- Subcommittee  
 Conference Committee

Committee Clerk Signature



## Explanation or reason for introduction of bill/resolution:

Legislative management study of the feasibility and desirability of reorganizing and restructuring the DHS.

## Minutes:

Testimonies 1

Chairman Weisz opened the hearing on HB 1280.

Rep. Fehr: From District 36 introduced and supported the bill. (See Testimony #1)

2:30

Rep. Oversen: How do you see this bill fitting into the larger package of bills we have coming forward dealing with behavioral health and a lot of other services we are looking at?

Rep. Fehr: I see this as a standalone. I'm not aware of other bills calling for some kind of reorganization. We are really talking about the direct services through the department rather than reorganizing or restructuring the department.

**NO OPPOSITION**

Chairman Weisz closed the hearing on HB 1280.

# 2015 HOUSE STANDING COMMITTEE MINUTES

**Human Services Committee**  
Fort Union Room, State Capitol

HB 1280  
2/3/2015  
Job #23126

- Subcommittee  
 Conference Committee

Committee Clerk Signature *Vicky Crathree*

**Minutes:**

[Empty box]

Chairman Weisz: Any discussions or motions?

Rep. Porter: I Move a Do Pass on HB 1280.

Rep. Rich Becker: Second.

ROLL CALL VOTE: 13 y 0 n 0 absent

Bill Carrier: Rep. Rich Becker

Date: 2-3-15  
Roll Call Vote #: 1

2015 HOUSE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. 1280

House Human Services Committee

Subcommittee

Amendment LC# or Description: \_\_\_\_\_

- Recommendation:  Adopt Amendment  
 Do Pass  Do Not Pass  Without Committee Recommendation  
 As Amended  Rerefer to Appropriations  
 Place on Consent Calendar  
Other Actions:  Reconsider  \_\_\_\_\_

Motion Made By Rep. PORTER Seconded By Rep. Rich BECKER

Representatives	Yes	No	Representatives	Yes	No
Chairman Weisz	✓		Rep. Mooney	✓	
Vice-Chair Hofstad	✓		Rep. Muscha	✓	
Rep. Bert Anderson	✓		Rep. Oversen	✓	
Rep. Dick Anderson	✓				
Rep. Rich S. Becker	✓				
Rep. Damschen	✓				
Rep. Fehr	✓				
Rep. Kiefert	✓				
Rep. Porter	✓				
Rep. Seibel	✓				

Total (Yes) 13 No 0

Absent 0

Floor Assignment Rep. Rich BECKER

If the vote is on an amendment, briefly indicate intent:

**REPORT OF STANDING COMMITTEE**

**HB 1280: Human Services Committee (Rep. Weisz, Chairman)** recommends **DO PASS** (13 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1280 was placed on the Eleventh order on the calendar.

**2015 SENATE HUMAN SERVICES**

**HB 1280**

# 2015 SENATE STANDING COMMITTEE MINUTES

Human Services Committee  
Red River Room, State Capitol

HB 1280  
3/17/2015  
24965

- Subcommittee  
 Conference Committee

Committee Clerk Signature



## Explanation or reason for introduction of bill/resolution:

A bill to provide for a legislative management study of the feasibility and desirability of reorganizing and restructuring the Department of Human Services.

## Minutes:

Attach #1: Testimony by Rep. Alan Fehr  
Attach #2: Testimony by Carlotta McCleary  
Attach #3: The Mental Health Advocacy Network  
Attach #4: Mental Health Advocacy Network

**Representative Alan Fehr**, District 36, introduced HB 1280 to the Senate Human Services Committee. (attach #1)(ends 2:20)

**Senator Dever** stated that one way to get a bill passed for a study is to introduce it that way. Is this a result of the Schulte Study, where it was one of the recommendations to do this?

**Representative Fehr** indicated it is not, but it is consistent.

**Chairman Judy Lee** continued that they do blend. There is another bill to study the department. There are well thought out provisions in your notes about what could be accomplished in the study.

**Senator Axness** stated this is such a big move to study the entire department. Do you think we will find answers before the next biennium?

**Representative Fehr** stated that may be. It may be an ongoing study over several sessions. The idea is to start someplace. We have to look back to 1980 when the department was established as it is today.

**Senator Warner** asked if there was any discussion about putting money in this bill for a consultant, and Request for Proposal (RFP) to study.

**Representative Fehr** stated the House Human Services Committee did not get into that discussion. Our main focus was just talking about testimony about different things to

include, and how it might work. If money goes into things, it also adds risk to the bill. This could be combined with other behavioral health studies.

**Senator Howard Anderson, Jr.** stated that one of the downsides of the Schulte study is that we didn't get the work done in timely enough manner so the Governor could consider for legislative session. Your idea of an ongoing study is appreciated, that we may not know all the results by the end of the biennium.

**Chairman Judy Lee** explained the behavioral health study. The deadline for submission to the Governor's office for the Department of Human Services budget was delayed for a variety of reasons, but it did permit consideration of several items from the Schulte study. Mobile crisis units would be an example of this. Several of the other bills came from the stakeholder group with added detail that came from the parties involved through the state. She also agrees with Senator Warner that study cannot be done without a consultant. The \$45,000 that was allotted, because that is what legislative management could give us without having it as an appropriation in the bill, provided more than our money's worth out of Ms. Schulte. They paid \$1,000,000 for a survey for Higher Education and not sure we learned anything. There was another for several hundred thousand for Long Term Care and not sure that they have seen many results from that study either. There are really good consultants that can help us. We may chat about that in this committee.

**Representative Fehr** appreciates that.

**Carlotta McCleary** testified IN FAVOR of HB 1280 (attach #2)(8:25-12:55). Ms. McCleary also provided the following handouts:

- The Mental Health Advocacy Network (MHAN) (attach #3)
- Health Network Advocacy Network Representatives (Attach #4)

**Senator Warner** recognized that the title of HB 1280 refers to studying the entire Department of Human Services. The first paragraph refers to the entire department. Then it transitions to behavioral health, which is a component of the Department of Human Services. Would it be purposeful for a study that focuses on behavioral and mental health rather than referencing the entire Department of Human Services?

**Ms. McCleary** responded that they would certainly be okay with this. The focus is on behavioral health and mental health in general. When talking about major health challenges, there is an area where individuals with behavioral health issues have poor outcomes, so we need to do a better job of creating health homes and making sure the physical and mental health are both being taken of. Studying the whole department as a whole would be very large.

**Chairman Judy Lee** asked Representative Fehr if the intent was to study the whole department or just the behavioral and mental health.

**Representative Fehr** stated the intent was just the behavioral health component, specifically the human service centers.



**Chairman Judy Lee** pointed out that one of the things hopefully moving through the legislature deals with vouchers so there is more consumer choice possibility, and hoping that continues. The grievance and appeals process in the department is handled by entirely different people in different divisions and it can go to an administrative law judge. This was confirmed by Department of Human Services staff in the meeting.

**Ms. McCleary** offered her personal experience, where they did go through the appeals process, it did escalate to an administrative law judge, but it then goes back to the Department of Human Services to make the final decision.

OPPOSITION to HB 1280

No opposing testimony.

NEUTRAL to HB 1280

No neutral testimony.

**Chairman Judy Lee** closed the public hearing on HB 1280.

Committee Discussion

The committee discussed the interest in adding funds for a consultant who would do the study. Chairman Judy Lee will check with the Office of Management and Budget (OMB) regarding the cost of a study. It was discussed that a conversation with the Chair of the Senate Appropriations might help in that, as they do appropriate a certain amount of funds for studies that are provided at the discretion of the chair of legislative management. However, this is where the \$45,000 limit came in the last interim period, which would likely not be sufficient for this kind of study.

The committee further discussed about the point on narrowing the study. One question discussed was are we talking about the services that are provided, or the method of the delivery of the services. That may be a broader discussion. Chairman Judy Lee indicated "how" the services are provided, as listed in Line 9. We will review with SB 2048 to make sure both bills are synchronized.

**Senator Warner** requested a list of all behavioral health studies and related bills. Chairman Judy Lee indicated she will provide that information. Related bills that went through the Senate Human Services Committee are SB 2048, as well as SB 2046.

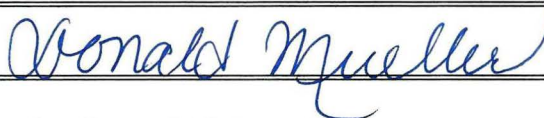
# 2015 SENATE STANDING COMMITTEE MINUTES

Human Services Committee  
Red River Room, State Capitol

HB 1280  
3/25/2015  
25425

- Subcommittee  
 Conference Committee

Committee Clerk Signature



## Explanation or reason for introduction of bill/resolution:

A bill to provide for a legislative management study of the feasibility and desirability of reorganizing and restructuring the Department of Human Services.

## Minutes:

No attachments

The Senate Human Services Committee met on March 25, 2015 for HB 1280 for committee work.

**Chairman Judy Lee** wonder if want to consider - in the study, what they want the outcome to be. She likes to see the study more open ended, that you provide the subject but don't tell them how it is supposed to turn out. The details of the bill lean toward the solution of the study before the study is completed.

The committee discussed who is on the legislative studies, and number of legislators who are represented in the study.

**Chairman Judy Lee** stated that we have other studies with behavioral health. **Senator Howard Anderson, Jr.** agreed, and see no downside to defeating this bill.

**Senator Axness** moved the Senate Human Services Committee DO NOT PASS HB 1280. The motion was seconded by **V. Chairman Oley Larsen**. No discussion.

## Roll Call Vote to DO NOT PASS

6 Yes, 0 No, 0 Absent. Motion passes.

**Senator Howard Anderson, Jr.** will carry HB 1280 to the floor.

Date: 03/25 2015  
Roll Call Vote #: 1

2015 SENATE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. HB1280

Senate Human Services Committee

Subcommittee

Amendment LC# or Description: \_\_\_\_\_

Recommendation:  Adopt Amendment  
 Do Pass  Do Not Pass  Without Committee Recommendation  
 As Amended  Rerefer to Appropriations  
 Place on Consent Calendar  
Other Actions:  Reconsider  \_\_\_\_\_

Motion Made By Sen Axness Seconded By Sen Larsen

Senators	Yes	No	Senators	Yes	No
Senator Judy Lee (Chairman)	✓		Senator Tyler Axness	✓	
Senator Oley Larsen (V-Chair)	✓		Senator John M. Warner	✓	
Senator Howard C. Anderson, Jr.	✓				
Senator Dick Dever	✓				

Total (Yes) 6 No 0

Absent 0

Floor Assignment Sen. Anderson

If the vote is on an amendment, briefly indicate intent:

**REPORT OF STANDING COMMITTEE**

**HB 1280: Human Services Committee (Sen. J. Lee, Chairman)** recommends **DO NOT PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1280 was placed on the Fourteenth order on the calendar.

**2015 TESTIMONY**

**HB 1280**

#1

**Testimony on HB 1280**  
**Rep Alan Fehr, District 36**  
*1-26-15*

Mr Chairman and members of the Human Services Committee, I am Representative Alan Fehr of District 36.

I am here to introduce HB 1280, which calls for a study of restructuring how services are provided through the department of human services, particularly the human service centers.

The study is intended to look for creative ways to improve the quality of services by redesigning systems of payment, contracting for services, and using measured outcomes to drive services.

The focus is not “what is wrong with the Department?” The focus is “can we creatively do things better?”

There are several questions that drive this study request:

1. Can we change the funding mechanism to encourage a collaborative approach with private providers, increase a professional team approach, and consider new approaches, like health homes?
2. Can we get a more integrated approach and better outcomes if human service centers transition from direct provision of services to a contracted approach, similar to how the department uses developmental disabilities providers?
3. Can we use a capitated reimbursement system to get better results while reducing costs?
4. Can we focus on measurement and outcomes to get better results and use social science researchers at our universities to improve services?

The study requests that the results and recommendations be available for the next legislative session.

It is my hope that this study will provide a blueprint for how behavior health services can transition over the next five to ten years in our state to improve the health and capabilities of our citizens.

Thank you for your consideration of HB 1280. I welcome your questions.

**Testimony on HB 1280**  
**Rep Alan Fehr, District 36**

Attach #1  
HB 1280  
03/19/2015  
J# 24965

Madam Chair and members of the Senate Human Services Committee, I am Representative Alan Fehr of District 36.

I am here to introduce HB 1280, which calls for a study of restructuring how services are provided through the department of human services, particularly the human service centers.

The study is intended to look for creative ways to improve the quality of services by redesigning systems of payment, contracting for services, and using measured outcomes to drive services.

The focus is not "what is wrong with the Department?" The focus is "can we creatively do things better?"

There are several questions that drive this study request:

1. Can we change the funding mechanism to encourage a collaborative approach with private providers, increase a professional team approach, and consider new approaches, like health homes?
2. Can we get a more integrated approach and better outcomes if human service centers transition from direct provision of services to a contracted approach, similar to how the department contracts with developmental disabilities providers?
3. Can we use a capitated reimbursement system to get better results while reducing costs?
4. Can we get better results by focusing on measurement and outcomes by using social science researchers at our universities to improve services?

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It is my hope that this study will provide a blueprint for how behavior health services can transition over the next five to ten years in our state to improve the health and capabilities of our citizens.

Thank you for your consideration of HB 1280. I welcome your questions.

**Testimony**  
**Senate Human Services Committee**  
**Senator Lee, Chairman**  
**March 17, 2015**

Attach #2  
HB 1280  
03/17/2015  
J# 24965

Chairman Lee, members of the Senate Human Services Committee, I am Carlotta McCleary, Representing Mental Health Advocacy Network (MHAN), whose mission is to advocate for a consumer/family driven mental health system of care that provides an array of service choices that are timely, responsive, and effective.

We are here today in support of HB 1280 the study of the feasibility and desirability of reorganizing and restructuring the department of human services.

We believe that the following 6 priorities of MHAN would tie in with the goals of this study.

Thank you for your time.

Carlotta McCleary, Spokesperson  
Mental Health Advocacy Network  
(701) 222-3310  
[cmccleary@ndffcmh.com](mailto:cmccleary@ndffcmh.com)



**The Mental Health Advocacy Network (MHAN)**  
A coalition for North Dakota

Attach # 3  
HB 1280  
03/17/2015  
J# 24965

**Mission:** 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.

Members of MHAN have long recognized the lack of mental health care and treatment in the state. With the release of the Schulte Report\* in the summer of 2014, policymakers, including the North Dakota legislature, also became keenly aware of the crisis in mental health – and the associated risks of maintaining the status quo. MHAN was formed to assure that consumer and family voices are included in recommendations for improvements and in decision-making.

**Values:** MHAN values the work done by many in this arena including the ND Department of Human Services and County Social Service agencies, legislators, public and private sector providers and the Behavioral Health Stakeholder group. However, these efforts do not go far enough – or respond quickly enough – to solve the critical nature of the gaps in service, the lack of access and, ultimately, to the prevention of loss of life. Additionally, there has not been an intentional effort to engage consumer and family input for these deliberations. For those reasons, MHAN shares the following values, upon which we build a case for leadership and action for policymakers and the public to consider.

- 1. Peer-to-Peer and Family-to-Family Support:** MHAN believes that these services should be included and adequately funded (not volunteer, but with fair wages and benefits) in every region of the state through Regional Recovery Centers, family and consumer run non-profits, or other appropriate outlets. Schulte agrees: *“The use of peers, family support peers, recovery coaches, and other persons with lived experience, is an evidence-based practice and a growing national trend with good treatment outcomes. In rural areas with behavioral health professional shortages, like North Dakota, using peers and other interested persons like teachers, law enforcement personnel, emergency workers, etc., are instrumental to expanding the workforce. In addition, increasing the number of out-stationed workers in the community is key to improving access to critical services.”*

\*<http://storage.cloversites.com/behavioralhealthsteeringcommittee/documents/ND%20Final%20Report.pdf>

2. **Consumer Choice:** When someone with a mental health disorder is poor, or uninsured in North Dakota, one is captive to the services made available through the Regional Human Service Center. While these services are no doubt effective, they are not available equitably in all regions, nor are they adequate to meet the need. MHAN believes that the state should redirect funding, through a voucher system or like model, to allow consumers access to services in the private sector. Schulte agrees: *“Although some may think that this DHS directed system is more functional and streamlined, in actuality it has created less competition and thereby a lower standard of care. The HSCs are the sole provider of many services not giving consumers any options. In a state where all available providers are needed in order to get the work accomplished, the dominance of the HSC system of care is counter-productive. The issue of lack of care coordination or case management was the second most common concern noted throughout the state. Challenges include not being able to access case management, with the lack of choice due to having only one provider of services (DHS), a culture of dependence upon the government system, and a lack of uniform eligibility criteria for program participation was noted”*
3. **Diversion from Corrections Systems:** Too many North Dakotans are ending up in youth or adult corrections systems due to lack of mental health care, both inpatient and outpatient. MHAN believes that diversion needs to be a top priority in systemic planning efforts through prevention, early intervention and treatment. A recent report from the ND Department of Corrections and Rehabilitation supports this premise: *In ND 63% of youth in juvenile corrections have mental health concerns that require a medication that must be managed by psychiatry. In Adult corrections 28% of male inmates have mental health concerns that are being treated by DOCR psychiatry staff. 41% of female inmates have mental health concerns that are being treated by DOCR psychiatry staff.*
4. **Core Services, Zero Reject Model and Adequate Funding for Public and Private Services:** MHAN believes that consumers and families are key to defining the core services they need to maintain good mental health and productivity. MHAN believes that a state system of care requires a zero-reject model rather than turning people away because of waiting lists, wait times, non-cooperation or being too sick or not sick enough. Adequate funding for mental health services is a federal requirement that is not being met by the State of North Dakota, thus exposing the state to

legal action. Schulte agrees: The Schulte Report said another goal is to *“Increase funding options for services for youth and adults” as “There is a large gap in funding options for services in North Dakota.” The study judged that, “the current system encourages failure at various treatment levels before authorizing treatment. This is not recovery-focused treatment. Parity for mental health services is not currently happening within the state as mandated by federal law.”*

5. **Independent Grievance and Appeals Processes:** When consumers and families are faced with a concern about DHS services, they have nowhere, other than the DHS, to turn. Schulte states it best and MHAN agrees: *“When looking at the system in North Dakota, one thing that sets it apart from many other systems is the almost total reliance on DHS as provider of services. In this role, there is no independent appeal mechanism for families or consumers. DHS is the provider, regulator and oversight to itself. The lack of checks and balances makes a very poor business model in any field.”*
6. **Benefits Planners:** When individuals with mental illnesses want to pursue employment, they may face the unique and scary prospect that being an income-earner may also cause them to lose needed benefits. The utilization of benefits planners will ease those concerns by providing accurate counseling in how employment may impact one’s benefits. For instance, a benefits planner could counsel the individual about the available options so he or she may maintain healthcare coverage. MHAN believes benefits planners should be accessible to individuals across the State. Jobs are available so now is the time.

The Mental Health Advocacy Network stands in support of the efforts of people and organizations that work to improve services for those who live with mental illnesses. However, MHAN insists on the direct involvement of consumers and families, including those from tribal and rural areas, as well as Veterans, in prevention, education, service planning and delivery – nothing about us without us.

The Mental Health Advocacy Network supports a responsive and immediate solution to the existing gaps in mental health services in North Dakota and rejects the notion of a phased-in, years-long approach to service development. For many North Dakotans, this is a matter of life and death. To quote Schulte again, the *“...system is in crisis.”*

\*<http://storage.cloversites.com/behavioralhealthsteeringcommittee/documents/ND%20Final%20Report.pdf>

**MENTAL HEALTH ADVOCACY NETWORK**

11.4.14

<b>NAME</b>	<b>REPRESENTING</b>	<b>E-MAIL</b>
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*Attachment #4*  
*HB 1280*  
*03/19/2015*