

**FISCAL NOTE**  
**Requested by Legislative Council**  
**01/19/2015**

Bill/Resolution No.: HB 1439

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2013-2015 Biennium		2015-2017 Biennium		2017-2019 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				\$(567,000)		\$(589,000)
Expenditures			\$567,000	\$(567,000)	\$589,000	\$(589,000)
Appropriations			\$567,000	\$(567,000)	\$589,000	\$(589,000)

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

	2013-2015 Biennium	2015-2017 Biennium	2017-2019 Biennium
Counties			
Cities			
School Districts			
Townships			

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

HB1439 will not allow the state hospital to seek payment from a person liable for expenses for care or treatment after 5 years have lapsed since the charges were incurred. In addition, the State Hospital may not collect more than \$25,000 for care and treatment from any recipient or patient.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

During the 15-17 biennium the State Hospital is estimated to collect \$1,700,000 from estates, individuals and collection agencies. Of this amount approximately 1/3 or \$567,000 is estimated to be for charges incurred over 5 years old or for charges above \$25,000 and therefore the Department will no longer be able to collect these revenues. \$589,000 is estimated to be unavailable for collection in the 2017-2019 biennium.

The Department is also estimating additional revenues would be lost as it is believed the clients will not pay for services if their debt is forgiven in 5 years. This lost revenue is not included in the section 1A above.

The average daily rate for services at the State Hospital is \$462.50/day. With a \$25,000 maximum in charges, the total days in care a recipient or patient may be charged for care and treatment at the State Hospital is approximately 54 days.

The fiscal impact assumes the State Hospital would be able to continue to bill 3rd party payers full charges, including those over \$25,000, for care and treatment of each patient or recipient.

It is unknown at this time if the State Hospital will incur IT costs for changes to their computer software for this policy change.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

The State Hospital would have a loss in revenue of \$567,000 for not having the ability to collect charges from patients or recipients for the care or treatment provided at the State Hospital after 5 years have lapsed since the charges were incurred and limiting those charges to \$25,000 per recipient or patient.

It is assumed the State Hospital would be able to continue to bill 3rd party payers full charges, including those over \$25,000, for care and treatment of each patient or recipient.

- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The General Fund expenditures will increase in both biennium's by the revenue that will no longer be able to be collected from State Hospital clients due to the change in policy.

It is unknown at this time if the State Hospital will incur IT costs for changes to their computer software for this policy change.

- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

The Department of Human Services would need a an increase in the General Fund appropriation and a corresponding decrease in the other fund appropriation of \$567,000 in the 15-17 biennium and \$589,000 in the 17-19 biennium for the lost revenue at the State Hospital.

**Name:** Debra A McDermott

**Agency:** Human Services

**Telephone:** 328-3695

**Date Prepared:** 01/26/2015

**2015 HOUSE HUMAN SERVICES**

**HB 1439**

# 2015 HOUSE STANDING COMMITTEE MINUTES

## Human Services Committee Fort Union Room, State Capitol

HB 1439

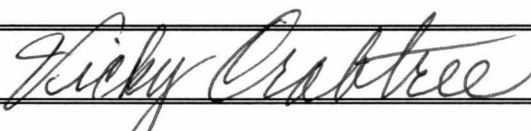
1/27/2015

Job #22634

☐ Subcommittee

☐ Conference Committee

Committee Clerk Signature



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

Relating to delinquent charges for care and treatment at the state hospital.

### Minutes:

Testimonies 1-4

Chairman Weisz opened the hearing on HB 1439.

Rep. Kathy Hogan: From District 21 introduced and supported the bill. (See Testimony #1)

Rep. Mooney: I had no idea we charged when people were sent to the state hospital. No insurance, Medicaid or Medicare reimbursement?

Rep. Hogan: Those things are always accessed when they are eligible. Insurance covers, Medicaid is a challenge, but ages 21-64 we don't cover and that is a federal law. Adults 21-64 often end up if they don't have health insurance with a huge bill.

Rep. Mooney: This is very interesting after the interim committee and all the behavioral health information we plotted through that this is a component that really exacerbates the situation in a lot of instances then, correct?

Rep. Hogan: Yes. Sometimes it is resolved. I don't know how old some of those bills are, but I'm aware that people have had large bills for long periods of time. So it is the writing off process I'd like you to look at.

Rep. D. Anderson: Isn't this problem going to disappear now that everyone is supposedly to have healthcare?

Rep. Hogan: The problem is the definitions of Medicaid not being covered. IMB still applies. They still won't be eligible for Medicaid because of the structure of the state hospital. It doesn't address the program.

David Boeck: Attorney for the Protection and Advocacy project which is an independent state agency assigned to protect against abuse, neglect and exploitation and advocate for disability related rights. This is an important bill because this is involuntary treatment and not patient chooses to take and they are forced into it. The state hospital does not have a

statute of limitation. There is a process at the state hospital . There is a process at the state hospital called the ability to pay that an individual can apply for. The state hospital may wait a year and then check to see if that individual has the ability to pay. It doesn't go away like an ordinary debt. The fiscal note only allows the state hospital the \$25,000 limit or will only allow them to collect for 54 days of treatment. The state hospital is an acute care facility and people shouldn't be there longer than 54 days. I think some amendments may be needed. I urge you too favorably on this bill and pass it. There might be some amendments needed because there is a section in the Century Code that refers to the statute of limitations being none and that probably should be included in this bill.

7:18

Rep. Damschen: Do you see a concern where some people would pay normally would not attempt to when they saw after five years it would be forgiven?

Boeck: I can't deny that could be a possibility. If you have the ability to pay then the state hospital can pursue collection.

Rep. Damschen: Who is going to bare the expense of the unpaid bill?

Boeck: Obviously the tax payer of ND.

Rep. Mooney: Does the tax payer pay it anyway if the individual doesn't pay their debt?

Boeck: The state appropriates funds to run the state hospital. Bills that are not paid are carried that way by the taxpayer.

Rep. Fehr: A person has to file bankruptcy to clear the debt?

Boeck: The only way they can be free of the debt is bankruptcy. Medicaid bills can come out of your estate after you die.

11:45

Josh Boshee: Represents District 44 in Fargo testified in support of the bill. (See Testimony #2) He read the testimony of Stephanie Jongaward. (See Testimony #3)

16:15

NO OPPOSITION

16:21

Alex Schweitzer: Director of the State Hospital. There is a process in place. We do bill at the state hospital. We take in about \$17 million in a biennium by insurance, Medicare and individuals that have Medicaid below 21 and above 64 years of age. We can't collect Medicaid for people between 21 and 64. Part of the \$17 million are collections in addition private pay and thee states and that makes up about \$1.7 million in the current biennium in terms of what we collect in collections to states and private pay.

Chairman Weisz: You say \$1.7 million is (stops talking)

Schweitzer: In the estates, collections and private pay. The rest of the \$17 million is in insurances and variety of other rentals on the campus, contracts with the department of corrections.

Rep. Porter: That \$1.7 is inside of the \$17 million and this is just a breakdown.

Schweitzer: Yes. We do have the ability to pay and we are not aggressive in terms of collections unless the individual does not complete ability to pay. Sometimes people do not fill out the forms. Unless they refuse to fill it out and they don't make payments and then it goes to collections. I write off several bills a month when we now they are not collectable. We do collect on estates. We keep bills out there because people do receive monies through the states and may get some source of income and then we ask them to pay the bill. There is a fiscal note with this bill. You will have a certain amount of money you won't be able to collect and general funds will have to make that up.

Chairman Weisz: Is there a time limit where someone can come in and fill out a form for inability to pay?

Schweitzer: We continue those annually until they have the ability to pay.

Chairman Weisz: I'm not talking about reviewing annually. Say the bill goes 5 years and then someone comes in and wants to pay it. Do you still allow them to fill out that form?

Schweitzer: They can.

Rep. Porter: Inside of your model and the individual agrees to pay an affordable amount. Do you have an accepted minimum amount?

Schweitzer: We look at it case to case. If they agree to pay a certain amount a month we accept that.

Rep. Porter: If the person who can afford to pay and makes monthly payments regularly, do they have a finance charge?

Schweitzer: No, we do not charge finance charges.

Rep. Porter: If I get a new car with an interest on my payment, I'm more prone to pay it and pay you less since there is no finance charge.

Schweitzer: That is true.

Rep. Porter: Inside of the system at the state hospital, are you a participating provider with the insurance plans or are you balance billing after the receipt of the insurance payment?

Schweitzer: We are a participating provider of insurance plans.

Rep. Porter: This should all disappear soon because everyone is going to have insurance or face a penalty so there won't be any bad debt after 2014.

Schweitzer: That is true. Now we just collect the deductible.

Rep. Fehr: What are the similarities and differences on how procedures are at the human services centers versus the state hospital? The human service centers have a sliding fee scale. Why are there two different systems between those two places?

Schweitzer: The sliding fee scale is their ability to pay and is the same thing we look at.

Rep. Fehr: But, when people are seen at the human service centers they know if they are at the 100% discount.

Schweitzer: We talk to the patients at the state hospital about their bill. They are aware of what the cost is going to be.

Rep. D. Anderson: Can you tie numbers of patients with the amount of money owed? How many people is this affecting?

Schweitzer: I don't know, but can get that information for you.

Rep. Oversen: How do you bill a person committed versus whom is criminally admitted?

Schweitzer: There is a different. The statute does not allow us to charge somebody from the jail.

Rep. Oversen: Can you get us the debt you have?

Schweitzer: I can do that.

Chairman Weisz closed the hearing.

Handed In

Alex Schweitzer: Director State Hospital (Handout #4)

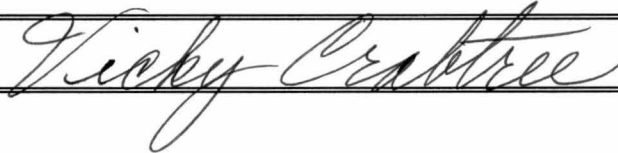
# 2015 HOUSE STANDING COMMITTEE MINUTES

## Human Services Committee Fort Union Room, State Capitol

HB 1439  
2/4/2015  
Job #23229

- ☐ Subcommittee  
☐ Conference Committee

Committee Clerk Signature



### Minutes:

Chairman Weisz: This is the bad debt State Hospital. It has a \$567,000 fiscal note attached to it.

Rep. Oversen: I would agree the five year mark is a little lenient. I would amend that to at least 10 years.

Chairman Weisz: We have a Motion to change from 5 to 10 on line 8.

Rep. Mooney: Second.

Rep. Rich Becker: The reason I wouldn't support that is looking at the chart of the bankruptcies, collections and no assets. It seems like if there is 5 years or 10 years the probably of getting payment is unlikely.

Rep. Porter: After hearing from Mr. Schweitzer and their collection process, I am inclined to not change anything with the bill and just kill it.

ROLL CALL VOTE: 10 y 3 n 0 absent

### MOTION FAILED

Rep. Oversen: The difference here is unlike other services offered by the Human Services, is not an ability to pay schedule, it is a sliding fee schedule. So if you don't have the income you get charged less. Here you get charged the same amount of money whether or not you can afford it and that debt follows you around for the rest of your life. I think there is a good reason to look at how these are assessed at the State Hospital.

Rep. Fehr: When I initially saw this bill I was wondering why they don't have a sliding fee. For them it is entirely different as they don't get the Medicaid payments like Human Service Centers. I'm inclined to kill the bill. The only other option is to revisit the whole payment system which is beyond what we are looking to do today.



House Human Services Committee

HB 1439

February 4, 2015

Page 2

Chairman Weisz: That would probably take more than the afternoon. I understand your point.

Rep. Hofstad: I Move a Do Not Pass on HB 1439.

Rep. Fehr: Second.

ROLL CALL VOTE: 10 y 3 n 0 absent

MOTION CARRIED

Bill Carrier: D. Anderson

Date: 2-4-15  
Roll Call Vote #: 1

2015 HOUSE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. 1439

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. Overton Seconded By Rep. Mooney

Representatives	Yes	No	Representatives	Yes	No
Chairman Weisz		<input checked="" type="checkbox"/>	Rep. Mooney	<input checked="" type="checkbox"/>	
Vice-Chair Hofstad		<input checked="" type="checkbox"/>	Rep. Muscha	<input checked="" type="checkbox"/>	
Rep. Bert Anderson		<input checked="" type="checkbox"/>	Rep. Overton	<input checked="" type="checkbox"/>	
Rep. Dick Anderson		<input checked="" type="checkbox"/>			
Rep. Rich S. Becker		<input checked="" type="checkbox"/>			
Rep. Damschen		<input checked="" type="checkbox"/>			
Rep. Fehr		<input checked="" type="checkbox"/>			
Rep. Kiefert		<input checked="" type="checkbox"/>			
Rep. Porter		<input checked="" type="checkbox"/>			
Rep. Seibel		<input checked="" type="checkbox"/>			

Total (Yes) 10 No 3

Absent 0

Floor Assignment Motion Failed

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

online 8 Chand 5 to 10

Date: 2-4-15  
Roll Call Vote #: 2

2015 HOUSE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. 1439

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. Hofstad Seconded By Rep. Lehr

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) 10 No 3

Absent 0

Floor Assignment Rep. D. Anderson

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

**REPORT OF STANDING COMMITTEE**

**HB 1439: Human Services Committee (Rep. Weisz, Chairman)** recommends **DO NOT PASS** (10 YEAS, 3 NAYS, 0 ABSENT AND NOT VOTING). HB 1439 was placed on the Eleventh order on the calendar.

**2015 TESTIMONY**

**HB 1439**

H 1

Testimony in support of  
HB 1439  
January 27, 2015  
By Kathy Hogan, Rep. District 21

Chairman Weisz and members of the House Human Services Committee, for the record, my name is Kathy Hogan. This bill was submitted on behalf of a constituent.

Over the years, I have been aware of a number of individuals who have had hospitalizations at the NDSH that have resulted in very large bills over \$50,000. Often those bills were generated through involuntary commitments or a short term mental health crisis, but these incidents have resulted in long-term life-time financial challenges including difficulty in getting school loans or mortgages.

There are three major suggestions I would like your committee to consider:

1. Establishment of a cap on billing amount.
2. Establishing an option for the ND Department of Human Services to write off bills based on the financial situation of the patient.
3. Allow the Department to write off uncollectable accounts for all accounts after an established time period, i.e. 5 years .

I have attached a copy of current ND Century Code for your information.

Thank you for your consideration of this bill. I would be more than willing to answer any questions.

/

HB 1439  
January 27, 2015

CHAPTER 50-06.3  
FEES AND EXPENSES

part of #1

50-06.3-01. Definitions.

As used in this chapter, "department" means the department of human services, including the state hospital.

50-06.3-02. Fees for services at regional centers.

The department may charge and collect fees and expenses for services provided through its regional human service centers, and may authorize charging of fees for child support services. The department may establish fee scales which recognize the service recipient's or responsible relative's ability to pay. The department shall adopt such rules as are necessary to implement this chapter and to define terms used in this chapter.

50-06.3-03. Fees and expenses chargeable against patients.

Expenses for care and treatment of each patient at the state hospital must be in accordance with the cost of providing care and treatment for the different degrees or conditions of mental and physical health and charges may be adjusted in accordance with the patient's or other responsible party's ability to pay which must include an estimate of potential future receipts including amounts from estates. The department shall recover expenses charged for care and treatment. The department may not recover expenses under this chapter for care and treatment of a patient transferred to the state hospital from a jail or regional corrections center. If any patient is receiving social security benefits or is a veteran who has received, is receiving, or is entitled to receive compensation or pension from the veterans' administration, the expenses are a current claim against the patient and may be recovered monthly by the department except that any amount required by the payor of the benefits to be paid directly to the patient must be credited to the patient's personal account from any money thus received.

50-06.3-04. Liability for payment.

The recipient, patient, recipient's or patient's estate, and recipient's or patient's spouse are liable for fees and expenses for services rendered by the department, through its regional human service centers, and for care and treatment expenses charged at the state hospital. The parents of a recipient or patient are responsible for services, care, and treatment provided prior to the eighteenth birthday of the recipient or patient.

50-06.3-05. Handicapped patients - Limitation.

Notwithstanding any other provision of this chapter, no handicapped patient under twenty-one years of age or the estate or the parent of such patient may be charged for educational or related services provided at the state hospital. However, the department has prior claim on all benefits accruing to such patients for medical and medically related services under entitlement from the federal government, medical or hospital insurance contracts, workforce safety and insurance, or medical care and disability provisions of programs administered by the department. For the purposes of this section, "related services" means transportation and such developmental, corrective, and other supportive services, as determined by the department of public instruction, as are required to assist a handicapped patient to benefit from special education. The cost of related services, other than medical and medically related services, must be paid by the state hospital, the school district of residence of the handicapped child, and other appropriate state agencies and political subdivisions of this state. The department of public instruction, the department, the school district of residence, and other appropriate state agencies and political subdivisions, as determined by the department of public instruction, shall determine and agree to that portion of related services, other than medical and medically related services, for which each such agency and political subdivision shall be liable. The department of public instruction may adopt rules necessary to implement this section.

50-06.3-06. Application for waiver of fees and expenses - Review procedure.

1. Any person liable for the expenses of care and treatment at the state hospital may make application to the department to pay less than the expenses charged. The application must be accompanied by proof of the applicant's inability to pay. Any person who seeks relief from the payment of expenses for services provided by the state hospital shall do so with the understanding that the department may verify any statement made in such application by a request for information from financial institutions, including commercial banks. Notwithstanding the provisions of section 57-38-57, this verification may include a review of the applicant's state income tax return or any other document or report submitted to or held by any office or department of the state of North Dakota, or any of its political subdivisions.
2. Upon receipt of an application made pursuant to subsection 1, the department shall direct the county social service board of the applicant's county of residence to determine the applicant's ability to pay all, a portion, or none of the expenses charged. The department shall approve, reject, or amend the determination made by the county social service board. The determination made by the department may be appealed to the district court of the applicant's county of residence.

50-06.3-07. Claims against the estate of recipients or patients.

Claims for fees and expenses charged by the state under this chapter may be filed by the department against the estate of a person liable for the fees and expenses at any time prior to the final distribution of the estate with the same priority as claims of general creditors which are filed against the estates of decedents. Any claim denied or rejected by a personal representative must clearly state, in a written notice to the department, the reason for denial or rejection. Every personal representative, upon the granting of letters of administration or testamentary, shall, at the time that publication of notice to creditors is made, forward to the department a copy of the petition or application commencing probate, heirship proceedings, or joint tenancy tax clearance proceedings in the respective district court, together with a list of the names of the legatees, devisees, surviving joint tenants, and heirs at law of the estate. If no notice is required by the proceedings, the personal representative shall forward to the department a copy of the petition or application commencing the proceedings, together with a list of the names of the legatees, devisees, surviving joint tenants, and heirs at law of the estate. Unless a properly filed claim of the department is paid in full, the personal representative shall provide to the department a statement of assets and disbursements.

50-06.3-08. Reduction or writeoff of accounts - Reports required.

The department may authorize the reduction or writing off of a recipient's or patient's past-due account from the department's financial records upon making a determination that the account is not collectible. The department, by September first after the close of each fiscal year, shall present a detailed report to the legislative audit and fiscal review committee on the status of accounts receivable for that fiscal year. The report must include:

1. An aging by recipient classification of accounts remaining unpaid.
2. The amounts by recipient classification by which accounts were reduced or written off for reasons other than payment during that fiscal year.

50-06.3-09. Expenses chargeable against guardianship estate of patient - Restrictions.

The expenses chargeable by the state for the care and treatment of any patient at the state hospital must be charged against the guardianship estate of the patient, if the patient has an estate, subject to the following restrictions:

1. No part of the estate may be taken if the patient has dependents within the United States dependent upon the estate for support and the taking of all or a portion of the estate would result in undue hardship to those dependents.
2. No real property belonging to the estate may be sold during the lifetime of the patient except for the maintenance and support of the patient's dependents, unless it is shown



that the sale of the property will not result in undue hardship to those dependents, and it may be sold only upon the order of the district court having jurisdiction of the estate, with the consent of the department.

3. No personal property belonging to the estate may be sold within five years from the date upon which the patient was sent to the institution unless the property is ordered sold by the district court having jurisdiction of the estate for the reason that the property is likely to deteriorate in value during the time herein specified.

If any real or personal property is sold pursuant to this section, the district court shall order the proceeds of the sale to be invested safely for the benefit of the patient or to be used for the support and maintenance of the patient's dependents or used to pay the costs of care and treatment of the patient.

50-06.3-10. State's attorneys or attorney general to bring action for expenses - Contract for collections.

1. Upon the request of the department to a state's attorney or the attorney general, in regard to fees and expenses charged pursuant to this chapter, the state's attorney or the attorney general shall bring an action against the person or estate liable for the fees and expenses for the payment of the amount due the state.
2. The department is permitted to contract with collection agencies for the collection of amounts due the state under this chapter.

50-06.3-11. Statute of limitations not bar to recovery.

No statute of limitations or similar statute or the doctrine of laches shall bar the right of recovery for fees and expenses under this chapter, but this section does not apply to claims that may be otherwise barred by law prior to July 1, 1961. It is not necessary to bill currently any person for those accounts determined to be inactive, or currently uncollectible, or for which it has been determined as provided by law that there is no present ability to pay. Current billings must be made for amounts chargeable by law or for which it has been determined the patient or responsible relative presently has an ability to pay, but the manner of billing shall in no way affect the total amount due.

50-06.3-12. Interest not to accrue on uncollected claims.

Rights existing and vested or instruments executed under sections 50-24-13, 50-24-15, 50-24-30, 50-24-33, 50-24-34, and 50-24-38 prior to July 1, 1979, continue to be effective until their expiration according to their own terms or by force of law. Interest not already collected may not accrue on the principal amount of those claims.

#2

Testimony in support of HB 1439

January 27, 2015

Joshua A. Boschee, District 44 Representative

Chairman Weisz and members of the House Human Services committee, for the record, my name is Josh Boschee and I have the privilege of representing District 44 in north Fargo.

HB 1439 was introduced following a desperate plea from a constituent of mine, Stephanie Jongeward. I am passing out Stephanie's detailed account of her experiences in working with the state hospital over the past 18 years for you to read. For the purposes of brevity, I will summarize what her account says.

While I know the staff and the administrators at the state hospital try their best to meet the needs of the residents they work with, I think it is important for us as a legislative body to review the procedures of the state hospital and understand the experiences of North Dakotans who have been committed to the facility.

- 1) What are the collections procedures for outstanding patient bills? How do our procedures compare to private hospitals in the state?
- 2) What types of residents do we collect payment from and why? Are civilly committed individuals billed the same as sex offenders? Why or why not?
- 3) How do our billing/payment procedures potentially impede or support the successful transition of patients into general society?

Thank you Mr. Chairmen and members of the committee. I will stand for any questions.

HB 1439  
1-27-15

#3

In 1996 I was committed to the State Hospital for 6 months for a suicide attempt. I received mental health and substance abuse treatment. I was committed there by the court, two times during my stay, I did not seek treatment voluntarily. I was 23 years old. Upon leaving, I received a large bill. I have paid intermittently on that bill, per instructions from your people as will be explained below, for the past 18 years. The bill is still \$55,000. I recently had another nervous breakdown, missed payments, did not contact the office and they have now, after 18 years of very intermittent and sporadic payments, sent the bill to collection, damaging my credit and are now proceeding with legal action. Note again, I was committed against my will. **Like a an inmate in a prison, I could not leave.** Unlike an inmate in a prison, however, I had not hurt anybody.

So, now that you are taking legal action against me, putting it out there for the world to see that I was in the State Hospital, there is no sense in me keeping quiet about this. That is another huge consideration here, confidentiality. Please don't insult me with semantics and how they negate this, there's no need, I'll let someone else fight that battle. However, I know I sure as hell didn't sign a release for that less than informative, putting it nicely, man with the god like ego at the collection agency.

Please be patient through the following story, it will all come together. I am not disputing the unjust policies of the State of ND in making people pay for these treatments in the first place, issues like that are for the ACLU. While I will take my jabs, I think it is wrong, I understand that is currently the law. On that you win, it is easy to win when you make the rules. What I am disputing, is your handling of my bill, and what I am chastising is the recent operation of discretion regarding that. I also think you have forgotten what you do, the people you serve. It is apparent that in Jamestown, you are just a "job with the state" and nothing more. In reality, you're a healthcare provider and a government agency obligated to serve citizens, the most vulnerable of citizens, entrusted. I don't know if things have changed up there because of the prison, but sending an **18 year old (EIGHTEEN)** mental health medical bill that is **obviously, on its face, currently uncollectible**, to collection. **That's a very prison, punishment like mentality.**

I am not trying to cry my way out of this bill, bankruptcy will do that for me, I just want you to know what you have done, what you do, to the mentally ill. After 6 mos and \$55,000 not only did I not receive any actual treatment, as how could I without a proper diagnosis, I received drugs that harmed me and made me have more suicidal thoughts. Funny how years later that became a medically proven FACT!!! Your people told me this was normal and to deal. Now 18 years later you are abusing me with your power, so I think you, and all you work with, should know, because for those of us with mental illness, life is often times, hard, messy and complicated because we don't fit with the world.

During my younger years, I had been put into Heartview treatment center in Bismarck ND for substance abuse treatment repeatedly by my parents. It was a scam to take people's money. Their treatment methods were abusive. They did not treat mental health issues, so they were negated. I was severely bulimic starting at the age of 11 and went through periods of mania and severe depression. They also did not treat trauma, I had been sexually molested continually starting at the age of 5 and had a twin sister that had died. I made them aware of these things repeatedly. Instead of treating the causes of my acting out, my actions were attributed to drug and alcohol usage, not vice versa. I know this sounds astounding, I have however, since received external confirmation from other counselors and mental health care professionals that have treated patients that had the same experiences at Heartview, my Parents share the same opinion and there is a reason they are no longer operating.

As this treatment history had followed me, the NDSH fell into the trap of relying upon it too much, and once again I was labeled a substance abuser. For even after 6 months in the NDSH, I did not receive a proper diagnosis. I did not receive a proper diagnosis until I sought one out in 2008 from a private practitioner. It was Bipolar and ADD. For the first time in my life, I medication that actually alleviated my depression. ONE of the haunting moments from my time at the NDSH was during my discharge meeting with one of your substance abuse counselor. She asked me, as they always do, if I ever thought about suicide. When I responded, yes, everyday, all of the time, she told me, well, some people are just like that and you just have to learn how to deal with it. The bipolar anti-depressants are the only thing that have ever alleviated the suicidal thoughts. I lived with them until I was 36 years old. I fought them, every single day from the age of 14 until 36. They were not normal thoughts I could control, they were haunting thoughts, that did their own thing.

You guys had 6 months inpatient to figure this out, you didn't even try. I suppose I can't complain, the incompetence at the NDSH during the 90's was not as damaging as the abuse at Heartview. It kept me breathing and did not cause me to regress. The sick part is though, for over 10 years, I thought about what that woman said every day with the suicidal thoughts. Her words, from your watch, haunted me just as much. Just as I had done at Heartview, I internalized full responsibility and put my head down to suffer through it.

When I left, they discussed the bill. I was told I have to pay it, that is how it is in ND, they are not nice like MN (your people's words). However, they said well some day they will just keep it out of your inheritance, or if you get some money you can settle it for a lesser amount with the AG office, it is not a big concern. I went to a mental health halfway type house when I left back in Fargo, got a job, eventually an apartment, went back to life. Once again, when discussing the bill, one of your people said, just give them a little each month, the State doesn't need your money (your people's words).

At the NDSH I met a guy in substance abuse treatment for alcohol. When back in Fargo, I ran into this guy again and we started dating. He had a seemingly great family (they were very traditional, unlike my family, very welcoming, accepting, warm, also millionaires), he was sober then, we fell in love, got married, had two kids...yada, yada. I went to college, got 3 degrees. I got a really good job where I can give back to society, have flexibility and earn a decent living. I also learned I wasn't really an alcoholic. Being a weekend warrior a couple times a month is just not the same. The black outs I had, that would start after 2 drinks, that caused so many problems for me, well they quit suddenly when I was no longer actively bulimic. I am still stunned by the fact that I really had no idea...

A real alcoholic drinks to the point of pure oblivion, to the point of pissing their pants, then trying to drive when they can't even talk or passing out on the boulevard for the cops to find you and take you home. A real alcoholic blacks out and beats his wife giving her stitches, black eyes and bruises. Even worse, cycles through anger and guilt, then explodes and beats her again like clockwork when he sobers up. A real alcoholic is so insecure he invades her mind to try and control every thought, every moment of every day. He looks through her phone, checks the times on her receipts he has retrieved from the garbage and then interrogates her about every single detail making false accusations if something doesn't quite match up. He calls her so many names she thinks it's normal to name call and finds herself doing it even though it's so out of character. A real alcoholic makes sure that the lives of everyone around him evolve completely, and solely, around his disease...he makes sure his disease is always front and center, as if he is parading his destruction around for the world to see, to shame his family into submission. A challenge, to make sure that every waking moment, you have to spend to try and figure it

out, combat it and cover it up. His misery is so great, so consuming, all he can do is try and spread some of it on to you in a sad attempt to alleviate his own suffering.

I was released from the NDSH directly into this for 12 years. I was still so sick, scared, undiagnosed. The sad, scary sick part of it all...the abuse and control distracted me from my illness, occupied me at least. Occupy myself, that is how I coped, still do. I did this in the marriage for 12 years. There are pages, upon pages, upon pages of detailed physical and emotional abuse in my divorce affidavits for the world to see. It didn't quit with the divorce. He terrorized us for years. He sat behind our house, followed us in our car, broke in and took from the most intimate of items to credit cards guns. He attacked me with a suitcase and drug me out of his apartment building by my hair. He will call 50 times in a row. He has been in and out of treatment more times than you can count. But for the NDSH, come in vulnerable, leave vulnerable, when you start to get your strength back we'll come knocking on your door to make sure and try and break you back down.

He tries to control now by missing visits with the boys and withholding child support. Child support does not enforce against him. He has not made a payment since June of 2013, but still has a license and is not under an order of contempt. It is imputed at the minimum wage. \$328 per month, but he still owes me more than \$10,000. He had a normal, decent job all through our marriage. He quit working after we separated. He told me explicitly, that he quit intentionally because he was going to take time off like I had during school. I did not work during Law School, I started with an 8 week old, had a 2 year old and drove back and forth to Grand Forks every day. Prior to LS, during undergrad, I worked 3 jobs. His wealthy parents support him and he works off the books to hurt us financially, and it works.

After everything, on the day of trial, he settled and the settlement, was exactly like the initial MTA that I presented him at the very start of the proceedings. He could have just signed it, it would have cost \$1,000 and we would have been done. Instead, he tried to ask for alimony, accused me of having an affair (didn't know with who, when or where, just "knew"), called me a horrible mother (after failing to pick up the kids when I was halfway across the country multiple times, having social services call me and telling me to go pick up the kids immediately due to his drinking, failing to be there when I went to pick up the kids...etc.) filed motions then withdrew them always at the last minute, lied from affidavit to affidavit, submitted documents that substantiated said lies. It was absolutely insane. Due to the alimony request, I had to document and relive the abuse all over again. The system that I had gone to school to learn so much about, was blatantly used against me, just to torture me, there really was no end goal. And his parents paid for it. They paid \$250 per hour for him to do it. It's all documented in my divorce file. It's absolutely apparent from the face of the case. Look at the MTA and the final settlement...then everything in between for nothing. Just so he could throw one final big tantrum and harass me again. I have never been so appalled. The family law system is truly, truly broken for victims of abuse.

I had a breakdown and entered day treatment that October of 2013. Even that was kind of twisted. My insurance cut me short and I had to leave prior to their recommendation. It was twisted because my insurance had paid for him to have treatment at that very facility 4 times during our separation when he was covered. So the productive person, paying for the insurance, seeking treatment to remain productive, doesn't get a full shot, but the complete drain, mooching off of me because I can't get him off, gets 4 full shots and blows them all. But, I made the most of it, worked through it all, worked it through with my job and everything else. My boys are happy, well adjusted, safe and able. He still has his \$16,000 NDSH bill, I guarantee you are not chasing after him for it. Guess I should have just put my feet up, moved to MN or something and gone on welfare instead of going to school and attempting to

give back to society. It appears as though it would be the economically smart thing to do. I would get a lot more sleep.

After I left Prairie, I continued with an experimental eye treatment therapy for abuse victims and a number of other therapies. It was really hard. It was really hard to deal with my mental health issues on top of working through dealing with the abuse. Dealing with the abuse, facing it, was much harder in many ways than actually going through it. So after that, in February, when you last received a payment, was when I was just going out on my own after all of this. Life has been somewhat hard since then, just getting back to normal. I left a 3 year relationship, my grandfather passed away...but I'm doing it, alone. I have to continue to mitigate the damage of my ex's drinking on my two boys.

***There is no reason to have to now go through dealing with a bankruptcy for an 18 year old medical bill. If you were going to do this, it should have been done at least 10 years ago.*** Otherwise, it should just be written off. Once again, this is patently unjust. Why would someone who has discretion, do such a thing. This is not a normal debt. I would have been better off had I committed a crime. Criminals are treated better than the mentally ill in the state of ND. I am not some crack head junkie that landed there to get out of something. I have a mental illness. At the beginning of our divorce, my ex moved to MN. The state of MN has paid for him to have treatment for alcoholism, inpatient, for over 10 months. He has worked in that state a total of 3 months of the last 2 years. I have lived (AND ALWAYS, save for 6 mos, WORKED since the age of 10!!!) in ND most of my life...way to give back ND, way to give back.

Broke, scared, confused, barely recovering, trying to get back on my own two feet. Like I have always done. I have done this all myself. I have never relied on anyone. I paid for my school, I took my loans with me from the divorce voluntarily from the get go. I have supported these two boys by myself, without assistance from the State or anyone else, not their father, not his millionaire parents. They have not so much as bought these boys a pair of underwear. I have contributed, given back. I work hard every day for this government, sometimes day and night, 24 hours a day non-stop. It's not pretty how I do things personally sometimes, it's messy, I am not like everyone else, but I try really hard, I work really hard, I try to make up for my shortcomings and I offer the utmost of empathy to anyone less fortunate than me. I have worked so hard, I have doubled my income in the last 6 years, professionally I work and live up to the best in my field nationally-they want me, I had to, it became clear to me I am likely all these boys ever have. We are finally on the cusp of having a shot...and now this...I apologize, but what assholes you are.

You are right. This is completely my fault. **My big issue is...this bill is 18 years old.** I have gone much longer in the past without paying and my payment history has not changed. I have not done anything differently, yet you have. Especially now, when the State of ND is swimming in money. I deserve an answer to the following question:

#### **WHY NOW HAS THIS BEEN SENT TO COLLECTION? WHAT HAS CHANGED?**

I feel you have reneged on everything that I have been told, time and time again. Your people told me these things, if these informal and unwritten underlying themes have now changed due to some internal policies, for example someone now has a pet project or some stats to pad, then what you are doing is patently unjust. Or, it could just be, you guys were sitting around in the office with your feet up and someone was having a god-like ego moment, bad day, and now no one wants to fess up to save face. If that's the case, it will soon suck to be you. While my operating on presumptions based on past dealings

with you is not in line with your formal policies, I feel that I was justified in doing so, and that your sending this bill to collection was the wrong thing to do. In fact, I would go so far as to say, that your sending the bill of anyone who has received mental health services from the NDSH, especially under commitment, is the wrong thing to do.

Your Accounts Receivable Representative Susan was able to tell me there is no Statute of Limitations on NDSH bills. She refused to tell me if you could file bankruptcy on them. She said I had to find that out. Undoubtedly, if she knows the answer to the SOL question, she also knows the answer to the bankruptcy question but refuses to disclose the answer. Ken Schulz will not return my calls. Mr. Olhauser at the collection agency falsely legally advised me that it would be in my best interest to accept service from the post office. Luckily I know better as I have a law degree. I am also smart enough not to disclose that to him. I am also smart enough to repeat back his statement and get an affirmative. Unscrupulous though, I had already disclosed the bill was for being committed for mental health issues. He knew (should have) full well there may be issues of incompetency, yet gave bunk legal advice that could have been very damaging. The State of ND, is not only sanctioning, but participating in these types of actions against the mentally ill. The collection agency will not even allow me to talk to the attorney whose name is on the letter head.

File bankruptcy on an 18 year old medical bill...that's insane. I suppose though, it will be taken care of then. It is not the course of action that I would prefer to take. I would rather have settled the bill at a lesser amount at some point in the future once I get my boys up and running into adulthood. That is what I had always thought would happen, either that or it would be kept out of my inheritance, which will be more than enough to cover it. It was one of the things on my mind as to why I had to go to school, get a good job, to be able to pay it someday for Christ's sake, it's never left my mind. As wrong as I think it is, talk about a situation where those in charge took advantage of society's most vulnerable, I have always accepted it, I want to take responsibility. In fact, I think the wrongness of its existence bothers me as applied more to others, than to me. The unjustness of my situation lies more in your current actions.

The other option is for you to send the bill back from collection. I won't qualify for your ability to pay thing, but it won't take into account all the medical bills I had to just pay for my breakdown and all of the lawyer's fees I just paid out for no reason. It also probably won't account for the student loans I paid to make the money I make. I know it makes no sense to you, that I can seemingly function at such a high level, but have such difficulty with such simple things. It makes no sense to me either. I can sit here at home (I work at home) and argue with the best in the nation in my field over very complex matters, yet am scared to make a phone call over a bill. I do not know why, I really do not. That is mental illness. It makes the world hard, those of us that have it have to work really hard to adjust. Just like to you, this is just a bill, you are following procedure, but I think you can see why to me, given the circumstances, it is very representative of a sick and twisted reality. If you do show compassion, I ask to that you remember to show it not only for me, but also, in the future, to everyone else in my situation.

One of the worst parts about having a mental illness is the uncertainty. Knowing how bad it can be but never knowing when it will strike. Forever wondering, will I be able to handle this or that, and that. Always, always, wondering will this be it, will this be the thing that finally breaks me and sends me into the abyss. How ironic that would be in this situation, to end up back where I started. I always force myself to follow it through so I know. It would end with me there, again, my boys on assistance, another

bill...18 years of hard work gone. You taking away what you gave. I shouldn't have to tell you these things, it's your business.

It just makes no sense to me, after 18 years, why would you force me to choose to file bankruptcy? It will hurt me, I did not want to be relieved of this bill, I wanted pay it. I was told it can wait and wait and wait. You allowed it to wait and wait and wait: 18 frickin years. There are only a few logical answers. It looks bad on your books, so you are cleaning them up, someone has a pet project. Someone decided it's time to clean house for some report somewhere. Or someone was having a bad day. That is not the right thing to do. You have suddenly changed the rules. That is horrible and unjust policy. You obviously have a great, great deal of discretion in these matters, someone has exercised it in this matter inappropriately. As such, I hope that this does not become an issue of pride, there is no need for justification to save face.

ND just plain sucks the big one when it comes to any sort of social service issues, we take horrible care of our people, only winter saves our face and grace. Someone gets cancer or has an accident and we do all kinds of things to raise money and such to help them out, someone has a mental illness, also not their fault, also strikes suddenly in the night, and we ship them away, shame them into submission, treat them worse than prisoners...haunt them 18 years later, ***not because we need to, just because we can.*** I've had lots of experience with cancer & it's cruelty, firsthand, upfront, it's taken people I love. I wish I had cancer, it has more mercy. Especially when you live in ND.

Sincerely,

**Stephanie Jongeward**

206 20<sup>th</sup> Ave N  
Fargo, ND 58102  
(701) 205-5902

A handwritten signature, likely of Stephanie Jongeward, consisting of a stylized 'S' and 'J'.



**North Dakota State Hospital #4**  
**Summary of Annual Write Offs**  
**July 1, 2013 Through June 30, 2014**

HB 1439

From

Alex

Schweitzer

Handed  
in

Category	Amount
Administrative Decision	39,709.33
Bankruptcies	189,534.68
Collection Agency Accounts Returned *	1,022,397.42
Deceased - No Assets	4,692,814.93
Settlements	60,130.32
<b>Total</b>	<b>\$6,004,586.68</b>

\* Although written off for financial statement purposes, records maintained in order to attempt collection from future estates.