

2019 HOUSE HUMAN SERVICES

HB 1105

2019 HOUSE STANDING COMMITTEE MINUTES

Human Services Committee Fort Union Room, State Capitol

HB 1105
1/9/2019
30591

- ☐ Subcommittee
☐ Conference Committee

Committee Clerk: Elaine Stromme by Marjorie Conley
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Explanation or reason for introduction of bill/resolution:

Relating to treatment services for children with serious emotional disorders and the substance use disorder treatment voucher system

Minutes:

Attachment # 1

Vice Chairman Rohr: opened the hearing on HB # 1105.

Pam Sagness, Director of Behavioral Health Division of the Department of Human Services (Department). (Testimony #1). This bill would allow Medicaid-eligible children with behavioral health conditions to have support not only “out of home” placement but to offer reimbursement for services that would maintain a child in their home. Section 2 would allow public programs with a substance use disorder treatment program license, to apply as a substance use disorder voucher provider. This change would provide the opportunity for local public health programs and tribes to participate in the voucher program.

Vice Chairman Rohr: Are there any questions for Pam?

Rep. Devlin: This is more of a clarification than a question. Excluding the regional Human Service Center is that going to leave some gaps across the state that are not going to be served in the rural areas?

Pam Sagness: The original intent of the voucher was to fill the gaps that were left after human service centers. The human service centers are still fully available to provide these services. They don't need the funding of the voucher because they have funding in their appropriation to provide those services. The voucher allows an individual to see a private provider locally that is not a human service center without having to travel to a human service center miles away. The intent is to fill the gaps.

Rep. Skroch: Further clarification, why is private is being removed on page 2?

Pam Sagness: Currently, we can only reimburse private providers. We want to remove

the requirement of private providers so that we can reimburse also local public health. The primary groups receiving this funding will still be private.

Vice Chairman Rohr: Any further questions?

Vice Chairman Rohr: Anyone else here to testify in support of HB1105?

Bruce Murry, North Dakota Association of Community Providers: This bill helps children that may have other disabilities intellectual or autism spectrum remain in the community and may divert a few children from a transition center or out of state placement.

Vice Chairman Rohr: Anyone else here to testify in support of HB1105?

Vice Chairman Rohr: Anyone here in opposition to HB1105?

Motion made by **Rep. Porter** to Do Pass, and seconded by **Rep. D. Anderson**.

Roll Call Vote was taken Yes 12 No 0 Absent 2.

Rep. Skroch is the carrier on HB1105.

Vice Chairman Rohr: Closed hearing on HB1105.

Date: 1-9-2019
Roll Call Vote #: 1

**2019 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1105**

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 D. Anderson

Representatives	Yes	No	Representatives	Yes	No
Robin Weisz - Chairman	AB		Gretchen Dobervich	AB	
Karen M. Rohr - Vice Chairman	✓		Mary Schneider	✓	
Dick Anderson	✓				
Chuck Damschen	✓				
Bill Devlin	✓				
Clayton Fegley	✓				
Dwight Kiefert	✓				
Todd Porter	✓				
Matthew Ruby	✓				
Bill Tveit	✓				
Greg Westlind	✓				
Kathy Skroch	✓				

Total (Yes) 12 No 0

Absent 2

Floor Assignment Rep. Skroch

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

REPORT OF STANDING COMMITTEE

HB 1105: Human Services Committee (Rep. Weisz, Chairman) recommends **DO PASS**
(12 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). HB 1105 was placed on the
Eleventh order on the calendar.

2019 SENATE HUMAN SERVICES

HB 1105

2019 SENATE STANDING COMMITTEE MINUTES

Human Services Committee Red River Room, State Capitol

HB 1105
3/12/2019
Job # 33553

- ☐ Subcommittee
☐ Conference Committee

Committee Clerk: Justin Velez

Explanation or reason for introduction of bill/resolution:

Relating to treatment services for children with serious emotional disorders and the substance use disorder treatment voucher system.

Minutes:

Attachments #1-2

Vice Chairman O. Larsen opens the hearing on HB 1105.

(00:25-02:55) Pam Sagness, Director of the Behavioral Health Division of the Department of Human Services. Testifying in support of HB 1105. Please see **Attachment #1** for written testimony.

Senator Hogan: It seems like we have been talking about this for a long time and this is a huge step because many children who had behavioral health problems used to have to go into the custody of the county and had to give up parental rights to get treatment and this will open that door.

Ms. Sagness: We are still struggling to have this program be effective in the best way because there is still number one a belief that there needs to be that custody change and then when possible we are getting referrals that are inappropriate. For example, some of our referrals come from schools and there will be a scenario for example like a 17-year-old girl who is smoking pot and having sex with her boyfriend and so then they will be seeking out of home placement where we know that this isn't the circumstance where we would remove a 17-year-old from their home but give them services without going out of home and right now this only allows for out of home services.

Madam Chair Lee: It costs a whole lot less than sending somebody out of state.

Ms. Sagness: The average costs of a child right now for 30 days is 11,000 dollars. We can do a lot of community based services and work with that same amount of dollars and yet keeping families together.

Madam Chair Lee: I was just reading an article about the program in Utah about the family services programs that they have there for some of these residential facilities. I just wondered

if those were possibly the facilities that we have used for those children who really do have those needs?

Ms. Sagness: I can't speak specifically to that but yes we do have quite a few children that do go out of state to programs that have that similar make-up.

Madam Chair Lee: I'll send you the article.

Senator O. Larsen: Do you have the data about what our native population has to go out of state?

Ms. Sagness: I can follow up and see if we have that.

Senator Anderson: On this other handout you had it says the average costs of this treatment plan per month is almost 24,000 dollars. Is that an ongoing costs every month and for how long?

Ms. Sagness: It is an ongoing cost for as long as that child is placed in the program. We had looked at the average length of stay and its 6 or 9 months so, when you look at the costs it is extensive.

Madam Chair Lee: It talks about a PATH foster home for 30 days 3,245 dollars and that is a significant difference from the max number too. I would assume it would be more likely to do family counseling because it would be closer to home.

Ms. Sagness: Even if there is a need for the child to place in a facility, I think this also opens up the opportunity that we can do better return to home care because if there is a service that they are not already getting we can ensure that those services get paid for with these dollars. There is a benefit not just for the children who maybe don't need to be placed in a residential facility but for those who already are; how do we get them home in a supported way.

Senator Hogan: The other parallel process is the Families First Initiative. How does this play with that initiative?

Ms. Sagness: The family first initiative is still being developed by the department but whenever there is an alternate funding source we will utilize that first this will only be providing services that aren't covered. For example, if there is Medicaid reimbursement, voucher, or any other funding source we would utilize that first. This will really only be providing services that aren't already covered. If we have overlap with Family First and some of the preventative services there, this would only cover things not covered by that program.

Senator Hogan: Is there a fiscal note on this?

Ms. Sagness: We don't believe there would be a change unless there is a change to the appropriation because we have a fixed appropriation, when the money is gone we don't have any other resource.

Senator Hogan: So there is no additional fiscal note, I just thought it was important to clarify that.

Ms. Sagness: We would like to use the small pot of money in a better way.

Senator Anderson: I noticed that on page one here line 19, I think it makes under this program, any child with a behavioral health condition, that is a pretty broad designation, must cover most of the things in the diagnostic and statistical manual right?

Ms. Sagness: The goal here is that there may be a child who, first off, we have established criteria so there are criteria that guides the program beyond this. That program then identifies or those guidelines identify diagnostics, Medicaid eligibility, and several other things. This is basically saying that we wouldn't exclude a child because they are not SED because that wouldn't be an early intervention.

Senator O. Larsen: The peer to peer legislation that went through earlier, will that all meld together or will the family be referred to this program and will it be their responsibility to find the peer to peer or would this program meld all this together.

Ms. Sagness: I think that is the goal of what SB 2313 would do by creating that system of services so that we actually have all of these programs connected in a different way. This is a payer option which is a little bit different than addressing what the service need is. If someone doesn't have the appropriate payment, this becomes an opportunity to avoid that custody change. Hopefully, as we move forward, all of these things will meld together as you suggested.

Madam Chair Lee: We are having a little resistance for SB 2313 from the house so I would encourage all of you who worked hard on what I thought was one of our very best pieces of work in the first part of the session to visit with that you know on House Human Services Committee and perhaps let them know why we thought it was a valuable piece. I checked this morning, it hasn't yet been voted out but their concerns were that it was establishing more groups. I think there is a whole lot more to it than that.

(11:42-12:45) Christine Lennon, from Lutheran Social Services providing testimony for Dan Hannaher, Director of Community Engagement for Lutheran Social Services of North Dakota. Testifying in support of HB 1105. **Please see Attachment #2** for written testimony.

Madam Chair Lee: Any questions for Mrs. Lennon? If not, thank you.

Madam Chair Lee calls for further favoring, opposition, and neutral testimony. Hearing none, Madam Chair Lee closes the hearing on HB 1105.0

2019 SENATE STANDING COMMITTEE MINUTES

Human Services Committee
Red River Room, State Capitol

HB 1105
3/12/2019
Job #33554

☐ Subcommittee
☐ Conference Committee

Committee Clerk: Justin Velez

Explanation or reason for introduction of bill/resolution:

Relating to treatment services for children with serious emotional disorders and the substance use disorder treatment voucher system.

Minutes:

No Attachments

Madam Chair Lee opens the discussion on HB 1105.

Senator Hogan: Do you want a motion?

Madam Chair Lee: I would be happy to have one.

Senator Hogan: I move a **DO PASS**.
Seconded by Senator Anderson

ROLL CALL VOTE TAKEN

6 YEA, 0 NAY, 0 ABSENT

MOTION CARRIES, DO PASS

Senator Anderson will carry HB 1105 to the floor.

Madam Chair Lee and the committee move on to discuss HB 1318.

Date: 3/12/19
Roll Call Vote #: 1

**2019 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1105**

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 Hogan Seconded By Anderson

Senators	Yes	No	Senators	Yes	No
Sen. Judy Lee	X		Sen. Kathy Hogan	X	
Sen. Oley Larsen	X				
Sen. Howard C. Anderson	X				
Sen. David Clemens	X				
Sen. Kristin Roers	X				

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 1105: Human Services Committee (Sen. J. Lee, Chairman) recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1105 was placed on the Fourteenth order on the calendar.

2019 TESTIMONY

HB 1105

HB 1105- #1

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1/9/2015
page 1

Testimony
House Bill 1105 - Department of Human Services
House Human Services
Representative Robin Weisz, Chairman
January 9, 2019

Chairman Weisz and members of the House Human Services Committee, I am Pamela Sagness, Director of the Behavioral Health Division of the Department of Human Services (Department). I appear today to provide testimony in support of House Bill 1105.

House Bill 1105, Section 1, addresses a change to North's Dakota's voluntary treatment program (VTP). North Dakota Century Code section 50-06-06.13 established the voluntary treatment program which currently provides out-of-home treatment services for Medicaid-eligible children with a serious emotional disorder without requiring parents to relinquish custody (N.D.C.C. § 50-06-06.13). House Bill 1105 expands the purpose of this program to allow for preventing out-of-home placement for a Medicaid-eligible child with a behavioral health condition. In an effort to utilize the least restrictive environment necessary and in order to keep families intact, the Department is asking for the ability to support children not only with "out of home" placement but, when appropriate, to offer reimbursement for services that maintain a child in their home.

This expansion of the voluntary treatment program has the potential to address Human Services Research Institute (HSRI) recommendations #3, 4, 5, 9, 10, 11, 12, and 13.

House Bill 1105, Section 2, provides language changes to section 50-06-42 of the North Dakota Century Code to allow public programs with a substance use disorder treatment program license, excluding the regional human service centers, to apply as a substance use disorder voucher provider. This change would provide the

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opportunity for local public health programs and tribes to participate in the voucher program.

This expansion of eligible providers for the substance use disorder voucher program has the potential to address Human Services Research Institute (HSRI) recommendations #3, 4, 9, 10, 11, 12, and 13.

This concludes my testimony, and I am happy to answer any questions.

Testimony
House Bill 1105 - Department of Human Services
Senate Human Services
Senator Judy Lee, Chairman

March 12, 2019

Chairman Lee and members of the Senate Human Services Committee, I am Pamela Sagness, Director of the Behavioral Health Division of the Department of Human Services (Department). I appear today to provide testimony in support of House Bill 1105.

House Bill 1105, Section 1, addresses a change to North's Dakota's voluntary treatment program (VTP). North Dakota Century Code section 50-06-06.13 established the voluntary treatment program which currently provides out-of-home treatment services for Medicaid-eligible children with a serious emotional disorder without requiring parents to relinquish custody (N.D.C.C. § 50-06-06.13). House Bill 1105 expands the purpose of this program to allow for preventing out-of-home placement for a Medicaid-eligible child with a behavioral health condition. This change is an effort to utilize the least restrictive environment necessary and whenever possible, to keep families intact. The Department is asking for the ability to support children not only with "out of home" placement but, when appropriate, to offer reimbursement for services that may maintain a child in their home.

This expansion of the voluntary treatment program has the potential to address Human Services Research Institute (HSRI) recommendations #3, 4, 5, 9, 10, 11, 12, and 13.

House Bill 1105, Section 2, provides language changes to section 50-06-42 of the North Dakota Century Code to allow public programs with a substance use disorder treatment program license, excluding the regional human service centers, to apply

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#1 pg. 2

as a substance use disorder voucher provider. This change would provide the opportunity for local public health programs and tribes to participate in the voucher.

This expansion of eligible providers for the substance use disorder voucher program has the potential to address Human Services Research Institute (HSRI) recommendations #3, 4, 9, 10, 11, 12, and 13.

This concludes my testimony, and I am happy to answer any questions.

Substance Use Disorder (SUD) Voucher

During the 64th Legislative Session the Department of Human Services (DHS) was appropriated funding to administer a voucher system to pay for substance use disorder treatment services. The Department's Behavioral Health Division was assigned the responsibility to develop administrative rules and implement the voucher system.

The SUD Voucher program was established to address barriers to treatment and increase the ability of people to access treatment and services for substance use disorders.

GOAL ONE

Allow individual to choose provider

Objective 1.1

Increase number of providers and service options.

Objective 1.2

Service options are communicated to individuals.

GOAL TWO

Improve access to quality services

Objective 1.1

SUD Voucher providers provide evidence-based services based on individual need.

Objective 1.2

Reduce financial barriers for individuals accessing needed services.

FUNDING

2015-2017 Biennium:

\$750,000 allocated from general fund for the SUD Voucher. However, this was reduced to \$375,000 as part of the allotment. The Voucher Program was launched in July 2016 and guidance was provided to all treatment programs. Expenditures from July 2016 through June 30, 2017 totaled \$252,294.

2017-2019 Biennium:

Approximately \$5 million allocated for the SUD Voucher. Expenditures from July 1, 2017 through February 28, 2019 total \$4.8 million.

IMPLEMENTATION

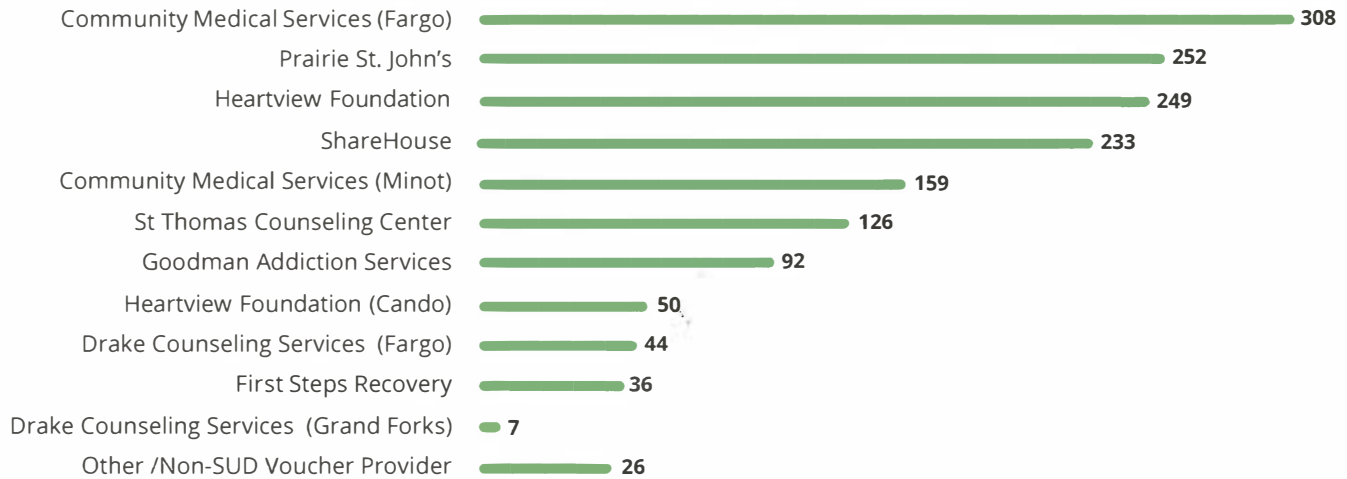
As of February 2019, **15 providers** have been approved and **1 provider** is in the process of becoming approved.

The Division receives an average of 100 voucher applications and 140 authorization requests for new services per month.

Since its inception, around **2,150 individuals** have received services through the SUD Voucher.

The data below describes the individual applications received from July 1, 2017 through November 30, 2018 (1,582)

INDIVIDUAL VOUCHER APPLICATIONS RECEIVED BY PROVIDER



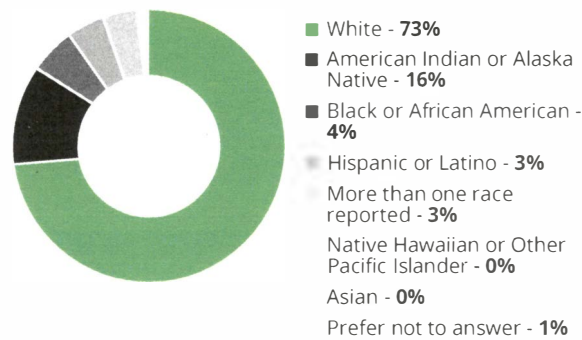
GENDER



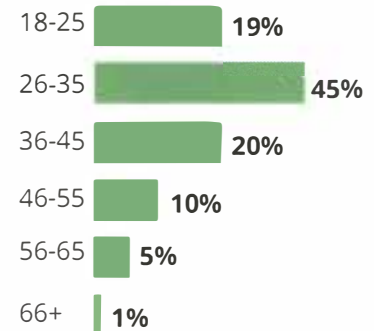
Of the participants,

- 67.4% were not employed
- 44% had GED/HS diploma
- 3.7% had a military affiliation
- 20.9% had dependent living environment and 21.7% homeless

RACE



AGE



OUTCOME MEASURES

Programs utilizing the SUD Voucher are required to assess each individual at the beginning and again when completing services. The outcome measure uses a 5-point rating scale (1 lowest to 5 highest). The outcomes are based on Substance Abuse and Mental Health Services Administration (SAMHSA) identified recovery dimensions:

1. **PURPOSE:** Identify the extent to which the individual participates in meaningful daily activities (employment, school, volunteering, family caretaking, other activities, etc.).
2. **COMMUNITY:** Identify the extent to which the individual's relationships and social networks provide support, friendship, love, and hope for overall wellbeing.
3. **HEALTH:** Identify how well the individual makes informed healthy choices supporting their physical health and emotional wellbeing (physical activity, attending medical appointments, taking medications as prescribed etc.).
4. **HOME:** Identify the stability and safety of the individual's living environment

All four outcomes measures increased following services reimbursed through the SUD Voucher program.

AVERAGE OUTCOME SCORES OVER TIME

Purpose



Community



Health



Home



■ Pre ■ Post

VOLUNTARY TREATMENT PROGRAM (VTP)

The VTP provides out-of-home treatment services for Medicaid-eligible children with a serious emotional disorder without requiring parents to relinquish custody (NDCC 50-06-06.13). The VTP will pay for maintenance costs of the treatment episode and Medicaid will pay for the treatment costs in accordance with the state plan. Residential Child Care Facilities (RCCFs) and PATH Foster Homes are providers through the VTP.

The goal of the VTP program is to improve functioning of youth.



ELIGIBILITY

Children with a serious emotional disorder* who are:

- Up to the age of 18;
- Currently have a diagnosable mental, behavioral, or emotional disorder of sufficient duration to meet diagnostic criteria specified in the DSM 5; and
- The functional impairment substantially interferes with or limits the child's role or functioning in the family, school, and community activities.

*This includes any mental health disorders (including those of biological etiology) listed in the DSM 5, with the exception of substance use and developmental disorders, which are excluded, unless they co-occur with another diagnosable serious emotional disturbance.

From July 2017 - January 2019, the Division received 24 applications. 10 were approved (9 unique individuals), 12 were withdrawn and 2 are pending.

Reasons for withdrawal: Needs or placed in a higher level of care (i.e. Psychiatric Residential Treatment Facility) (3); Parent refused services and/or Voluntary Treatment Program (2); Have not participated in wraparound community-based resources (partnership) (1); Taken into social services custody (1); Moved out of state (1); Admitted to psychiatric bed (1); Additional in-home supports provided to keep child in the home (1); Psychiatric Residential Treatment Facility recommending home vs Residential Child Care Facility placement (1)

OF THE 9 INDIVIDUALS SERVED

6 males (average age of 14.8)

3 females (average age of 16)

4 children live with adopted parents

4 children live with biological parents

1 child lives with grandmother who has full custody



The length of stay can last 12 months.



\$533,440 was authorized in DHS budget for the 2017-2019 biennium.

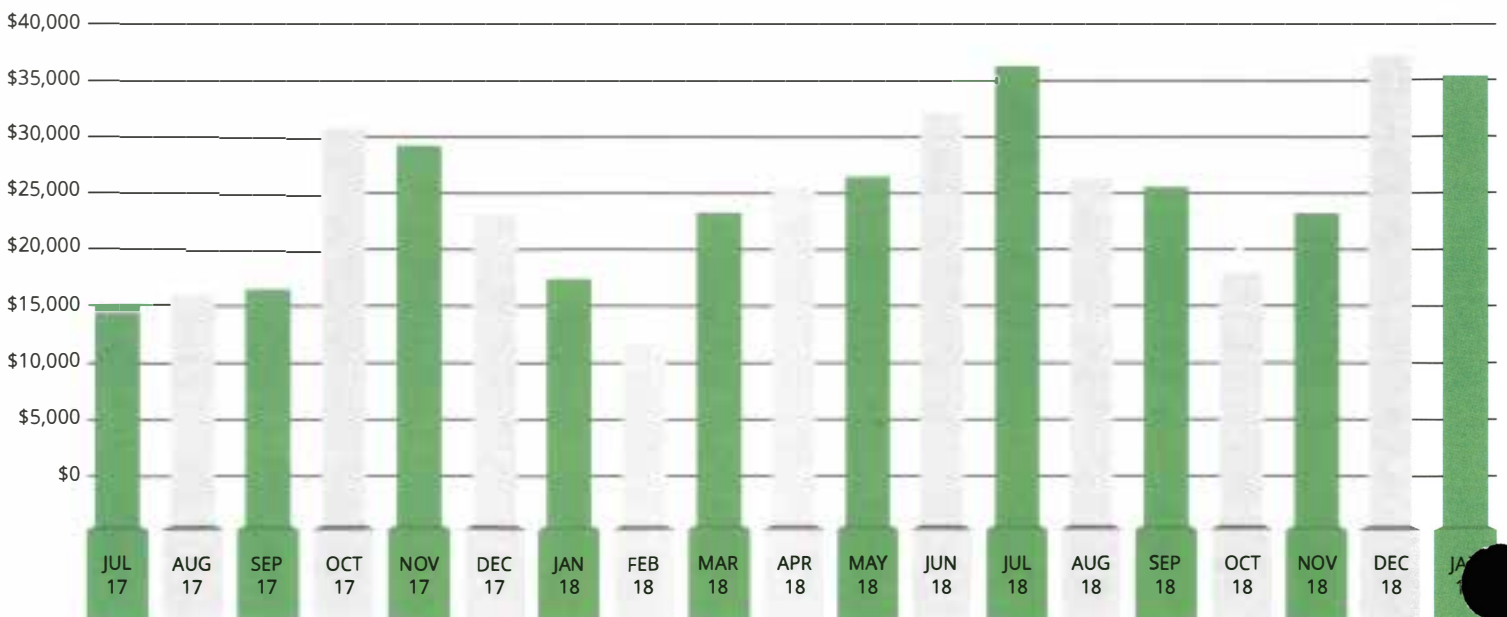
As of 1-31-2019 (79% of the biennium), 89.6% of the allocation has been expended (\$478,025.71).



Average cost per month: \$23,809.82

The average cost of a child in an RCCF for 30 days: \$11,007 (using only the daily rates of the four RCCFs utilized this biennium).

The average cost of a child in a PATH Foster Home for 30 days: \$3,245.40



SENATE HUMAN SERVICES COMMITTEE

TESTIMONY IN SUPPORT OF HB1105

March 12, 2019

Chairman Lee and Committee Members. My name is Dan Hannaher, and I am the Director of Community Engagement for Lutheran Social Services of North Dakota. I am here to speak in support of the increased programmatic flexibility proposed in HB1105.

We believe very strongly that it is important to invest in stabilizing services for children and families before children are removed from the home, rather than only after a removal has occurred.

The extension of broader services to intact families could help fill a gap for many children and teens in families of limited means. This programmatic change could be another that would help families access individual and group treatment services, open the door to the delivery of peer mental health supports, and could also make it possible for people to access a range of in-community supports that would help them maintain stability in their family as they seek greater mental health wellbeing.

The program changes contemplated in HB1105 can make a big difference for children and families who are struggling, allowing for earlier intervention that will ultimately prevent the crises of family disruption from occurring.

HB1105 is yet another important piece of the puzzle that is a transformed behavioral health system in North Dakota. Thank you for the opportunity to speak to you today. I would be happy to answer any questions you have for me.

*Dan Hannaher, ND Lobbyist #230
Director, Community Engagement
Lutheran Social Services of North Dakota
Email: danh@lssnd.org, Phone: 701-271-1604*