

NORTH DAKOTA LEGISLATIVE MANAGEMENT

Minutes of the

HUMAN SERVICES COMMITTEE

Thursday, October 4, 2012
Harvest Room, State Capitol
Bismarck, North Dakota

Representative Alon Wieland, Chairman, called the meeting to order at 9:00 a.m.

Members present: Representatives Alon Wieland, Dick Anderson, Roger Brabandt, Donald L. Clark, Tom Conklin, Curt Hofstad, Richard Holman, Robert Kilichowski, Vonnie Pietsch, Chet Pollert, Jim Schmidt; Senators Dick Dever, Robert Erbele, Tim Mathern, Gerald Uglem

Members absent: Representative Kathy Hogan; Senator Joe Miller

Others present: See [Appendix A](#)

It was moved by Senator Mathern, seconded by Representative Clark, and carried on a voice vote that the minutes of the August 30, 2012, meeting be approved as distributed.

STUDY OF GUARDIANSHIP SERVICES

Ms. Judy Vetter, Administrator, Guardian and Protective Services, Inc., provided information ([Appendix B](#)) regarding its evaluation of the proposed guardianship services models and recommendations for consideration by the committee. She said Guardian and Protective Services, Inc., met with representatives from the Supreme Court, North Dakota Association of Counties, Cass County Adult Protective Services Unit, AARP, guardianship agencies, and public administrators. She said the group identified the following areas of concerns:

- Lack of stable funding for public administrators and private guardianship service providers has resulted in high guardian-to-client ratios, in consistent availability of public administrators, and instability of programs.
- Lack of training and oversight of private guardianship service providers and public administrators.

Ms. Vetter provided the following recommendations regarding guardianship and public administrator services:

Biennium	Recommendations
2013-15	<ul style="list-style-type: none"> • Amend emergency guardianship statutes • Transfer funding for public administrator services from the counties to the state through a general fund appropriation to the Office of Management and Budget (OMB) with funds distributed through an annual grant process similar to the process provided in North Dakota Century Code Section 54-06-20 or through a formula • Provide a \$70,000 general fund appropriation to the Supreme Court for the development and delivery of training to new guardians

Biennium	Recommendations
2015-17	<ul style="list-style-type: none"> • Require criminal background and credit history checks of all proposed guardians • Require court visitors to meet the proposed guardians • Provide funding for a four-year pilot program relating to random checks of guardianship annual reports and personal visits with wards
2017-19	<ul style="list-style-type: none"> • Implement changes in the procedural process to require appointment of counsel for proposed wards

In response to a question from Representative Pollert, Ms. Vetter said the recommendation to provide state funding for public administrators would provide services for 189 cases in the first year of the 2013-15 biennium and 214 cases in the second year of the biennium. She said the final report for the study of guardianship services indicated an estimated unmet need for guardianship services of 305.

The Legislative Council staff presented a bill draft [\[13.0210.01000\]](#) to implement the recommendations of Guardian and Protective Services, Inc., for guardianship and public administrator services. The bill draft provides:

- A general fund appropriation of \$1,657,100 to OMB for the purpose of providing grants to counties for guardianship and public administrator services through an annual grant process or formula for the 2013-15 biennium.
- A general fund appropriation of \$70,000 to the Supreme Court for developing and delivering guardianship training for guardians and public administrators for the 2013-15 biennium.

In response to a question from Representative Hofstad, Ms. Vetter said the recommended approach for providing guardianship and public administrator services is a hybrid model consisting of county and private sector service providers and state funding.

In response to questions from Senator Mathern, Ms. Vetter said funding for legal costs associated with guardianships and adult protective services is important, but the first priority is funding for guardianship and public administrator services.

The Legislative Council staff presented a bill draft [\[13.0177.01000\]](#) to implement the recommendations of the North Dakota Association of Counties to provide for centralized guardianship services. The bill draft:

- Provides that the Department of Human Services is to provide for centralized guardianship services for vulnerable adults who are ineligible for developmental disabilities (DD)

case management services. The centralized guardianship services are to include supervision of guardians, training and assistance, financial assistance to reduce the cost of guardianship services for individuals determined to lack adequate resources, and payment to public administrators. The department may establish an advisory board to assist with the development of guardianship standards and reporting requirements.

- Amends North Dakota Century Code Section 11-21-08 to provide that public administrators receive compensation for services from the Department of Human Services' centralized guardianship services program.
- Repeals Section 50-06-24 relating to a unified system for guardianship services.
- Provides a \$1.2 million general fund appropriation to the Department of Human Services for the centralized guardianship services program for the 2013-15 biennium.

The Legislative Council staff presented a bill draft [\[13.0178.01000\]](#) to implement the recommendations proposed by Representative Hogan relating to guardianship services program enhancements. The bill draft provides:

- A general fund appropriation of \$1,286,415 to the Department of Human Services for providing adult protective services, including the assessment of the needs of vulnerable individuals, identification of alternatives to guardianship, and the compilation and dissemination of information regarding family and local guardianship resources for the 2013-15 biennium. The department is authorized 12 full-time equivalent (FTE) positions for this initiative.
- A general fund appropriation of \$146,000 to the Department of Human Services for providing for legal costs associated with the establishment of guardianships for low-income individuals with serious mental illness, with a disability, or who are elderly for the 2013-15 biennium.
- A general fund appropriation of \$517,000 to the Department of Human Services for contracting with private entities to provide guardianship services for the 2013-15 biennium.
- A general fund appropriation of \$314,495 to the Supreme Court for providing training and technical assistance to court personnel on guardianship-related issues and monitoring and investigating complaints against guardians for the 2013-15 biennium. The Supreme Court is authorized one FTE position for this initiative.

The Legislative Council staff presented a bill draft [\[13.0138.01000\]](#) relating to guardianship services procedural safeguards as recommended in the guardianship services study final report prepared by Mr. Winsor Schmidt. The bill draft:

- Amends Section 30.1-28-09 relating to notices in guardianship proceedings to provide that the notice or petition for guardianship must inform the ward or proposed ward of the ward's or proposed ward's rights at the hearing and must include a description of the nature, purpose, and consequences of an appointment of a guardian.
- Creates a new section relating to emergency guardians to provide that the court may appoint an emergency guardian whose authority may not exceed 60 days and who may exercise only the powers specified in the order. An emergency guardian may be appointed without notice to the alleged incapacitated individual and the alleged incapacitated individual's attorney only if the court finds from affidavit or other sworn testimony that the alleged incapacitated individual will be substantially harmed before a hearing on the appointment can be held. If the court appoints an emergency guardian without notice to the alleged incapacitated individual, the alleged incapacitated individual must be given notice of the appointment within 48 hours after the appointment. The court may remove an emergency guardian at any time. An emergency guardian is to make any report the court requires.
- Repeals Section 30.1-28-10 relating to temporary guardians.

Ms. Sally A. Holewa, State Court Administrator, North Dakota Supreme Court, provided comments regarding the bill drafts. She said the Supreme Court supports the bill draft [\[13.0138.01000\]](#) relating to guardianship services procedural safeguards and the bill draft [\[13.0210.01000\]](#) to implement the recommendations of Guardian and Protective Services, Inc., for guardianship and public administrator services.

In response to a question from Senator Dever regarding the differences in the bill drafts relating to training, Ms. Holewa said the \$70,000 general fund appropriation included in the bill draft [\[13.0210.01000\]](#) to implement the recommendations of Guardian and Protective Services, Inc., would provide for the development and delivery of basic training for new guardians. She said the \$314,495 general fund appropriation included in the bill draft [\[13.0178.01000\]](#) relating to guardianship services program enhancements would provide for the development and delivery of a comprehensive training program for guardians and provide for random monitoring of guardians.

Mr. Rodger Wetzel, Bismarck, provided comments regarding the bill drafts. He said North Dakota has a good system of guardianship for adults with DD, but the state does not have a similar program for other adults who are cognitively disabled and in need of a guardian. He said he supports the proposed bill draft [\[13.0210.01000\]](#) to implement the recommendations

of Guardian and Protective Services, Inc., for guardianship and public administrator services.

Mr. Larry Bernhardt, Executive Director, Catholic Charities North Dakota, provided comments regarding the bill drafts. He said Catholic Charities North Dakota supports funding for both guardianship services and adult protective services. He said Catholic Charities North Dakota supports the bill draft [\[13.0177.01000\]](#) to provide for centralized guardianship services. He said it is critical that there is a "clearinghouse" for guardianship services.

Ms. Shelly Peterson, President, North Dakota Long Term Care Association, provided comments regarding the bill drafts. She said the association supports the bill draft [\[13.0210.01000\]](#) to implement the recommendations of Guardian and Protective Services, Inc., for guardianship and public administrator services. She said the association also supports providing funding for legal costs associated with the establishment of guardianships.

Mr. Aaron Birst, Legal Counsel, North Dakota Association of Counties, provided comments regarding the bill drafts. He said all of the bill drafts are good options. He said the association prefers the bill draft [\[13.0177.01000\]](#) to provide for centralized guardianship services.

It was moved by Senator Mathern, seconded by Representative Hofstad, and carried on a roll call vote that the bill draft relating to guardianship services procedural safeguards be approved and recommended to the Legislative Management. Representatives Wieland, Anderson, Brabandt, Clark, Conklin, Hofstad, Holman, Kilichowski, Pietsch, Pollert, and Schmidt and Senators Dever, Mathern, and Uglem voted "aye." No negative votes were cast.

It was moved by Representative Hofstad, seconded by Representative Schmidt, and carried on a roll call vote that the bill draft relating to the recommendations of Guardian and Protective Services, Inc., for guardianship and public administrator services be approved and recommended to the Legislative Management. Representatives Wieland, Anderson, Brabandt, Clark, Conklin, Hofstad, Holman, Kilichowski, Pietsch, Pollert, and Schmidt and Senators Dever, Mathern, and Uglem voted "aye." No negative votes were cast.

It was moved by Senator Mathern, seconded by Representative Kilichowski, to amend the bill draft relating to guardianship services program enhancements to remove Sections 2, 3, and 4. Representatives Conklin, Holman, and Kilichowski and Senator Mathern voted "aye." Representatives Wieland, Anderson, Brabandt, Clark, Hofstad, Pietsch, Pollert, and Schmidt and Senators Dever and Uglem voted "nay." **The motion failed.**

STUDY OF THE AUTISM SPECTRUM DISORDER

The Legislative Council staff distributed a memorandum entitled [Autism Spectrum Disorder](#)

[Recommendations](#). The memorandum provides a summary of the recommendations submitted for consideration by the committee regarding its study of the autism spectrum disorder.

The Legislative Council staff presented a bill draft [\[13.0212.01000\]](#) to provide for a Legislative Management study of the autism spectrum disorder. The bill draft provides that during the 2013-14 interim, the Legislative Management consider studying the current system for the diagnosis of, early treatment of, care for, and education of individuals with autism spectrum disorder. The study must continue work of the Legislative Management during the 2011-13 interim on the study of the autism spectrum disorder, consider the recommendations of the Autism Spectrum Disorder Task Force, and seek input from stakeholders in the private and public sectors.

It was moved by Representative Pollert, seconded by Senator Dever, and carried on a roll call vote that the bill draft relating to a Legislative Management study of the autism spectrum disorder be approved and recommended to the Legislative Management. Representatives Wieland, Anderson, Brabandt, Clark, Conklin, Hofstad, Holman, Kilichowski, Pietsch, Pollert, and Schmidt and Senators Dever, Mathern, and Uglem voted "aye." No negative votes were cast.

The Legislative Council staff presented a bill draft [\[13.0179.01000\]](#) relating to an autism spectrum disorder registry and educational training and support for teachers and other staff. The bill draft provides:

- The State Department of Health is to establish and administer an autism spectrum disorder registry. The registry must include a record of all reported cases of autism spectrum disorder in the state and any other information deemed relevant and appropriate by the department in order to complete epidemiologic surveys of the autism spectrum disorder, enable analysis of the autism spectrum disorder, and provide services to individuals with an autism spectrum disorder.
- A \$148,132 general fund appropriation to the State Department of Health for establishing and administering an autism spectrum disorder registry for the 2013-15 biennium. The department is authorized one FTE position for this initiative.
- A \$198,000 general fund appropriation to the Department of Public Instruction for providing training and support to general education classroom teachers and other school staff regarding the most effective methods of educating and providing services and support to individuals with autism spectrum disorder for the 2013-15 biennium.

Ms. Vicki Peterson, Bismarck, provided comments ([Appendix C](#)) regarding the bill draft. She presented the following prioritization of the Autism Spectrum Disorder Task Force recommendations as supported

by North Dakota advocacy organizations and providers:

Priority	Recommendation
1	<p>State autism coordination and autism spectrum disorder registry - Add two FTE positions responsible for implementing a resource and service center for information and services for individuals with an autism spectrum disorder, developing a state outreach plan, holding regional meetings, holding an annual conference, and developing a protocol for use after screening. The estimated biennial costs is \$494,135, consisting of \$242,122 for the coordinator's salary, benefits, and other office costs, such as information technology fees; \$132,769 for the assistant's salary, benefits, and other office costs; and \$119,244 for operating expenses for travel and annual conference expenses.</p> <p>Develop and implement an autism spectrum disorder registry. The estimated biennial cost is \$200,648, consisting of \$164,247 for personnel costs; \$20,057 for operating expenses, such as travel and supplies; and \$16,344 for indirect costs.</p>
2	<p>Autism spectrum disorder Medicaid waiver - Expand the Department of Human Services' autism spectrum disorder Medicaid waiver to include individuals from age 18 months and older. The estimated biennial cost would be dependent upon the number of individuals served. Based on the department's current DD traditional waiver average cost per person of \$27,239 per year, the estimated cost for providing services to 75 individuals in the first year of the 2013-15 biennium is \$2,042,925 and 200 individuals in the second year of the biennium is \$5,447,800 for an estimated total biennial cost of \$7,490,725.</p>
3	<p>Comprehensive training funds - Provide funding for training for direct support staff, parents, professionals, physicians, and day care providers and funding for distribution to family support agencies for statewide coordination of services. The estimated cost for the 2013-15 biennium is \$79,016.</p>
4	<p>Behavioral analysts - Increase the number of professionals delivering behavioral analyst services by providing funding support for 16 individuals (two in each region) to complete the St. Paul online board-certified behavioral analyst program to include the required supervision up to the point of taking the certification. The estimated biennial cost is \$198,872.</p>
5	<p>Dedicated diagnostic, evaluation, and service planning teams - Provide funding for diagnostic evaluation, and service planning teams comprised of a physician, occupational therapist, physical therapist, certified behavioral analyst, and family support professional. Evaluations and screenings currently range from \$1,725 to \$5,045 per child. The estimated cost of screening 16 children in each of the eight regions would range from \$220,800 to \$645,760.</p>
6	<p>Health insurance mandate - Eliminate the exclusions for autism care and treatment in health insurance policies. Senate Bill No. 2268 (2011) as introduced provided for this recommendation. The fiscal note submitted for this bill estimated a cost of approximately \$5.8 million for state government for the 2011-13 biennium.</p>

In response to a question from Representative Wieland, Ms. Peterson said the Department of Human Services' autism spectrum disorder Medicaid waiver needs to be refocused and expanded.

Ms. Carolyn Fogarty, member, Autism Spectrum Disorder Task Force, provided comments ([Appendix D](#)) regarding the bill draft. She said the task force has met several times during the past two

and a half years; reviewed legislation, other states' autism spectrum disorder information, plans, and funding mechanisms; developed, disseminated, and summarized a statewide autism spectrum disorder needs assessment survey; established an initial state plan; and provided prioritized recommendations regarding autism spectrum disorder services to the committee.

Ms. Fogarty said the Autism Spectrum Disorder Task Force believes the autism spectrum disorder registry is important; however, she said, the task force believes it would not be beneficial to monitor individuals with autism spectrum disorder when the infrastructure available to serve them is limited. She said the task force supports autism spectrum disorder training and education. She said training should be provided to teachers, doctors, day care providers, public health professionals, therapists, and parents.

In response to a question from Representative Wieland, Ms. Fogarty said an autism spectrum disorder registry is important, but creating the infrastructure to provide services to individuals with autism spectrum disorder should be the state's first priority.

Representative Wieland said the establishment of an autism spectrum disorder registry is important. He said the registry would assist the state with the development of the most efficient and effective programs for providing services to individuals with an autism spectrum disorder.

Dr. Barbara Stanton, autism specialist, Prairie St. John's, Fargo, provided comments regarding the bill draft. She said she supports the bill draft. She said it is important to understand the number of individuals affected by the autism spectrum disorder in order to plan for services.

Dr. Lori Ganes, Associate Director of Development, North Dakota Center for Persons with Disabilities, provided comments ([Appendix E](#)) regarding the bill draft. She said the Autism Spectrum Disorder Task Force has compiled a comprehensive plan for the state to improve services for individuals with autism spectrum disorder. She said the committee should consider using the task force recommendations as a template to provide research-based services to individuals with autism spectrum disorder.

It was moved by Representative Holman, seconded by Representative Hofstad, and carried on a roll call vote that the bill draft relating to an autism spectrum disorder registry and educational training and support be approved and recommended to the Legislative Management. Representatives Wieland, Anderson, Brabandt, Clark, Conklin, Hofstad, Holman, Kilichowski, Pietsch, Pollert, and Schmidt and Senators Dever, Mathern, and Uglem voted "aye." No negative votes were cast.

The committee recessed for lunch at 12:06 and reconvened at 1:00 p.m.

The Legislative Council staff presented a bill draft [[13.0180.01000](#)] relating to a voucher system for

autism spectrum disorder services and support. The bill draft provides:

- The Department of Human Services develop a voucher system for autism spectrum disorder services and support. The program is to consist of up to 100 individuals up to age 26 and up to 50 individuals aged 26 and older. To be eligible for the program, individuals must have been a resident of the state for a minimum of six months, have income levels that do not exceed 300 percent of the federal poverty level, and have a clinician's diagnosis of autism, Asperger's syndrome, or pervasive developmental disorder not otherwise specified. Eligible services for individuals up to age 26 include assessments, medical care, mental health services, occupational therapy and equipment, speech and language services, assistive technology, case management, transportation, educational supports, respite care, executive and social skills training programs, and development and implementation of behavioral intervention plans. Eligible services for individuals aged 26 and older include assessments, medical care, mental health services, occupational therapy and equipment, educational and employment services, housing, transportation, medical care, and independent living services.
- A \$4.5 million general fund appropriation to the Department of Human Services for administering a voucher system for autism spectrum disorder services and support. The department is to allocate up to \$30,000 per year to each individual enrolled in the voucher program for paying costs of eligible services.

Dr. Stanton provided comments regarding the bill draft. She said she supports the bill draft. She said the state should consider allowing the program to be administered by the private sector.

It was moved by Representative Schmidt, seconded by Representative Brabandt, to amend the bill draft relating to a voucher system for autism spectrum disorder services and support to decrease the appropriation by \$2 million from \$4.5 million to \$2.5 million. Representatives Brabandt, Pollert, and Schmidt and Senator Erbele vote "aye." Representatives Wieland, Anderson, Clark, Conklin, Hofstad, Holman, Kilichowski, and Pietsch and Senators Dever, Mathern, and Uglem voted "nay." **The motion failed.**

It was moved by Representative Hofstad, seconded by Representative Kilichowski, and carried on a roll call vote that the bill draft relating to a voucher system for autism spectrum disorder services and support be approved and recommended to the Legislative Management. Representatives Wieland, Anderson, Clark, Hofstad, Holman, Kilichowski, and Pietsch and Senators Dever, Erbele, Mathern, and Uglem voted "aye."

Representatives Brabandt, Conklin, Pollert, and Schmidt voted "nay."

STUDY OF THE DEPARTMENT OF HUMAN SERVICES' CASELOADS AND PROGRAM UTILIZATION

Ms. Carol Cartledge, Director, Economic Assistance Policy, Department of Human Services, provided information ([Appendix F](#)) regarding historical caseloads and program utilization for the Economic Assistance Division programs. She provided the following summary:

	Temporary Assistance for Needy Families (TANF) ¹	Low-Income Home Energy Assistance Program (LIHEAP) ²	Child Care Assistance ³	Supplemental Nutrition Assistance Program (SNAP) ⁴
State fiscal year averages				
2006	2,708	5,737	4,060	19,214
2007	2,560	5,872	3,955	19,926
2008	2,590	5,732	4,054	21,572
2009	2,440	6,353	3,810	23,104
2010	2,147	6,265	3,787	26,686
2011	1,925	6,100	3,589	27,857
2012	1,738	5,269	2,526	27,439
Biennial averages				
2005-07	2,634	5,805	4,003	19,570
2007-09	2,515	6,042	3,932	22,338
2009-11	2,036	6,182	3,685	27,272
2011-13 (budget)	2,253	6,879	3,915	33,890

¹The TANF caseload has decreased over time due to the 2005 Deficit Reduction Act which identified work activities for adults in TANF families, the 2009 pay after performance policy implementation, and the economic climate in North Dakota. At the time the budget for the 2011-13 biennium was established (summer 2010), the projected caseload was decreased. However, the actual caseload from the summer of 2010 to the end of the biennium was even lower than anticipated.

²The LIHEAP caseload is developed based on weather projections and fuel price projections.

³The child care assistance caseload has decreased over time due to the economic climate in North Dakota. Increased household incomes have resulted in ineligibility or lower payments through the program. At the time the budget for the 2011-13 biennium was established (summer 2010), the projected caseload was decreased. However, the actual caseload from the summer of 2010 to the end of the biennium was even lower than anticipated.

⁴The SNAP caseload has increased over time due to the 2006 implementation of simplified reporting, which makes it easier for households to be on the program for longer periods of time. In addition, federally required outreach efforts have also increased the number of SNAP cases, and the department has launched an online application making it easier for individuals to apply for and requalify for the program.

Ms. Tara Lea Muhlhauser, Director, Children and Family Services Division, Department of Human Services, provided information ([Appendix G](#)) regarding historical caseloads and program utilization for the Children and Family Services Division programs. She provided the following summary:

	Foster Care ¹	Subsidized Adoption ²
State fiscal year averages		
2006	968	744
2007	869	816
2008	760	877
2009	768	946
2010	768	980
2011	736	1,028
2012	760	1,077
Biennial averages		
2005-07	918	780
2007-09	764	912
2009-11	752	1,004
2011-13 (budget)	861	1,073

¹The foster care caseload continues to experience fluctuations. Increases are due to population increases and the growing number of families in communities without parental or relative resources to assist in safely maintaining children in their homes. The caseload budgeted for the 2011-13 biennium includes a slight increase to address additional tribal Title IV-E cases and youth over the age of 18 who choose to remain in foster care.

²The subsidized adoption program for children with special needs continues to increase based on the federal mandate and practice of the permanency outcome of adoption for children formerly in foster care.

Mr. Alex C. Schweitzer, Cabinet Lead for Institutions and Regional Human Service Centers, Department of Human Services, provided information ([Appendix H](#)) regarding historical caseloads and program utilization for the human service centers and institutions. He provided the following summary for the human service centers:

Human Service Centers	2006	2007	2008	2009	2010	2011	2012	Increase From 2006 to 2012
Northwest	1,189	1,202	1,263	1,342	1,545	1,650	1,833	644 ¹
North Central	3,293	3,105	3,215	3,197	3,225	3,325	3,398 ²	105 ²
Lake Region	2,486	2,396	2,373	2,318	2,484	2,607	2,373	(113) ³
Northeast	3,072	3,211	3,370	3,555	3,557	3,608	3,356	284 ⁴
Southeast	4,952	5,018	5,029	4,968	5,102	5,042	4,949	(3) ³
South Central	2,869	2,802	2,958	2,991	3,074	3,236	3,182	313 ⁵
West Central	4,542	4,559	4,913	5,027	5,348	5,655	5,532	990 ⁶
Badlands	1,942	1,845	1,854	1,891	1,860	1,912	1,871	(71) ³
Total	24,345	24,138	24,975	25,289	26,195	27,035	26,494	2,149
Change from previous year		(207)	837	314	906	840	(541)	

¹The increase is the result of population growth. The center experienced increases in the areas of psychiatry and medication management.

²The increase is the result of population growth. The center experienced increases in the number of children served in DD and the demand for medication management.

³The decrease is due to a number of circumstances, including staff turnover, a change in referral patterns, and increased service provision from private providers.

⁴The increase is the result of increases in the number of children served in DD and the infant development program, the number of homeless individuals at the mission, and the demand for alcohol and drug services.

⁵The center has experienced an increase in all core services over the past seven years primarily because the center is the only provider of outpatient behavioral health services in the region and because the State Hospital is located in the region.

⁶The increase is the result of population growth resulting in increases in the number of children served in DD, referrals from the Department of Corrections and Rehabilitation, and the demand for psychiatry services due to a reduction in private sector services.

Mr. Schweitzer provided the following summaries for the State Hospital:

Average Daily Population				
Year	Traditional Services ¹	Sexual Offender Unit ²	Tompkins Rehabilitation and Correction Center ³	Total
2006	126	55	85	266
2007	130	53	83	266
2008	131	59	82	272
2009	110	58	79	247
2010	109	59	79	247
2011	110	60	86	256
2012	104	62	86	252

¹The State Hospital utilizes 132 beds for inpatient and residential psychiatric services for the treatment of adults, children, and adolescents with serious and persistent mental illness, serious emotional disorders, and chemical addiction.

²The State Hospital operates a 76-bed sexual offender unit.

³The State Hospital utilizes 90 beds to provide addiction services to offenders in the Tompkins Rehabilitation and Correction Center.

Total Admissions				
Year	Traditional Services	Sexual Offender Unit	Tompkins Rehabilitation and Correction Center	Total
2006	806	9	301	1,116
2007	753	11	296	1,060
2008	816	6	289	1,111
2009	895	14	285	1,194
2010	956	20	305	1,281
2011	897	18	286	1,201
2012	897	41	315	1,253

Mr. Schweitzer provided the following summary for the Developmental Center:

Adult intermediate care services target census - July 1, 2011	95
Adult intermediate care services actual census - July 1, 2011	95
Adult intermediate care services actual census - October 1, 2012	89
Adult intermediate care services target census - June 30, 2013	67
Youth transition services program actual census - October 1, 2012	6

Mr. Schweitzer said the Developmental Center met the transition to community target of 95 adults in the intermediate care services program as of July 2011. He said the center is planning for 14 discharges prior to July 1, 2013, which will bring the center's population to 75 individuals. He said the center's targeted census for June 30, 2013, is 67 individuals.

Mr. Schweitzer said the Developmental Center operates an eight-bed youth transition services program for youth with DD that are having difficulty finding community placements or would need to be served out of state. He said the goal is to transition these young people to appropriate community settings.

Ms. Maggie Anderson, Interim Executive Director, Department of Human Services, provided information ([Appendix I](#)) regarding historical caseloads and

program utilization for the Medical Services Division and long-term care continuum programs. She provided the following summary:

	2006 (Actual)	2007 (Actual)	2008 (Actual)	2009 (Actual)	2010 (Actual)	2011 (Actual)	2012 (Actual)	2011-13 (Budgeted)
Total Medicaid recipients	38,878	38,833	41,435	42,231	46,027	46,351	48,306	1
Medical services								
Inpatient hospital	909	843	1,228	1,151	1,229	1,188	1,118	1,227
Outpatient hospital	6,396	4,949	7,824	8,397	8,920	8,707	7,717	8,813
Physicians	17,667	15,542	20,171	21,436	23,806	23,538	22,095	24,360
Drugs (net)	19,883	15,907	Not available	Not available	18,580	19,240	19,162	17,854
Healthy Steps	3,278	3,764	4,006	3,470	3,368	3,718	3,872	4,026
Long-term care								
Nursing facilities (days paid)	110,289	126,222	109,182	102,286	100,684	99,635	97,423	102,058
Basic care (days paid)	27,025	25,647	25,761	27,470	30,856	35,334	37,252	32,651
Service payments for elderly and disabled (SPED)	1,240	1,321	1,434	1,360	1,299	1,278	1,215	1,350
Expanded SPED	127	116	109	106	116	122	139	137
Home and community-based services waiver	279	241	244	256	287	304	301	327
Targeted case management	342	342	427	416	460	494	474	488
Personal care option	512	571	570	569	617	621	614	671
Technology dependent waiver			1	1	1	1	1	2
Medically fragile children's waiver				1	2	3	3	9
Partnership in assisting community expansion (PACE)				10	41	53	54	85
Children's hospice waiver							1	17
DD grants	2,765	3,027	3,131	3,235	3,326	3,293	3,554	1

¹Recipient information is not available as budget is based on units of service for individual categories.

NOTE: The caseload information for nursing facilities and basic care represent the average number of days paid for recipients for a month. All other services represent recipients served.

Ms. Anderson said implementation of the following programmatic changes have affected caseloads since 2006:

- The technology dependent waiver in August 2007.
- The medically fragile children's waiver in October 2007.
- The Medicaid buyin program for children with disabilities in April 2008.
- Twelve-month continuous eligibility for children in June 2008.
- PACE in August 2008.
- Eligibility increases in the Healthy Steps program to 150 percent of the federal poverty level in October 2008 and to 160 percent of the federal poverty level in July 2009.
- Changes in the SPED fee schedule in July 2009.
- The children's hospice waiver in July 2010.
- The autism spectrum disorder Medicaid waiver in October 2010.
- DD transitions to the community.

Ms. Deb McDermott, Assistant Director, Fiscal Administration, Department of Human Services, distributed a copy ([Appendix J](#)) of the department's *Quarterly Budget Insight* for the period July 1, 2011, through June 30, 2012. She said the publication provides a summary of the status of several of the department's programs for the 2011-13 biennium.

In response to a question from Senator Mathern, Ms. McDermott said the state's strong economic status has resulted in slower than anticipated growth in the Medicaid program and other programs.

OTHER COMMITTEE RESPONSIBILITIES

Ms. Judy Tschider, Program Administrator, Aging Services Division, Department of Human Services, provided information ([Appendix K](#)) regarding the status of the dementia care services program, including information on budgeted and actual program expenditures, program services, and program outcomes. She said the Legislative Assembly, with the passage of 2009 House Bill No. 1043, directed the department to contract with a private vendor to provide for a dementia care services program in each area of the state served by a regional human service center. Through a competitive procurement process, she said, the department awarded a contract to the Alzheimer's Association to provide the services. She said the contract award of \$962,085 was for the period January 2010 through June 2011. She said the goal of the program is to inform people with dementia and their caregivers about dementia care issues to decrease depression, increase family support, delay nursing home placements, and reduce inappropriate use of health services. To achieve the goal, she said, the staff provides care consultation services to people with dementia and their caregivers, including needs assessment, care plan development,

resource referral, emotional support dementia education, and followup as needed. She said the program also provides education for communities, professionals, and law enforcement agencies regarding the symptoms of dementia, the benefits of early detection and treatment, and the services available to individuals with dementia and their caregivers. She said the Legislative Assembly in 2011 provided a \$1.2 million general fund appropriation to the department for continuing the program in the 2011-13 biennium. From July 2011 through June 2012, she said, the program has worked with 616 caregivers and served 345 persons with dementia.

Ms. Tschider said the Alzheimer's Association subcontracts with the University of North Dakota Center for Rural Health to study and report outcomes of the dementia care services program, including the estimated long-term care and health care costs avoided and the improvement in disease management and caregiver assistance. She said the University of North Dakota reports an estimated cost avoidance of \$14,167,102 in long-term care costs for the period July 2011 through June 2012.

Ms. Tina Bay, Director, Developmental Disabilities Division, Department of Human Services, provided information ([Appendix L](#)) regarding the development of a new DD reimbursement system pursuant to Section 1 of 2011 Senate Bill No. 2043. She said Senate Bill No. 2043 provides that:

- The department, in conjunction with DD service providers, develop a prospective or related payment system with an independent rate model utilizing the supports intensity scale.
- The department establish a steering committee consisting of representatives from all interested providers and department representatives. The steering committee is to guide the development of the new payment system, including assisting a consultant to conceptualize, develop, design, implement, and evaluate a new payment system.
- The department contract with a consultant by September 1, 2011, to develop, in collaboration with the steering committee, the payment system and the resource allocation model tying funding to supports intensity scale assessed needs of clients.
- After the prospective or related payment system rates are developed, the new rates must be tested on a sampling of clients and providers allowing sufficient time to capture provider cost, client-realized need, and service provision data. The consultant is to provide the appropriate sampling number to sufficiently test the rates, types of services, and needs of clients with the intent to include as many providers as fiscally feasible.
- The department contract with a team of supports intensity scale assessors by September 1, 2011. The team is to begin

assessing immediately the client pilot group identified by the consultant.

- Once testing is complete, the data must be analyzed by the consultant, and the consultant is to make any needed rate adjustments, resource allocation modifications, or process assumptions.
- Implementation of any system developed may not occur before the implementation of the department's new Medicaid management information system.

Ms. Bay said the department has established a steering committee consisting of representatives from all interested providers and the department to guide the development of the new payment system. She said the department has awarded a contract in the amount of \$445,903 to Johnston, Villegas-Grubbs and Associates, LLC, for development of the payment system and the resource allocation model connecting funding to supports intensity scale assessed needs of clients. In addition, she said, the department awarded contracts to The Rushmore Group in the amount of \$846,000 and the American Association on Intellectual and Developmental Disabilities in the amount of \$166,664 for completion of an analysis of the supports intensity scale assessments.

Ms. Bay said Johnston, Villegas-Grubbs and Associates, LLC, presented draft rates and a draft provider-specific budget impact analysis to the steering committee in June 2012. She said the vendor is in the process of revising the draft rates and budget impact analysis based on feedback received from the steering committee. She said the department will continue work on the new DD reimbursement system into the 2013-15 biennium and expects to implement the new rate structure in the later part of the biennium.

In response to a question from Representative Holman, Ms. Bay said DD service providers have been supportive of the process.

Ms. JoAnne Hoesel, Cabinet Lead, Program and Policy, Department of Human Services, provided information ([Appendix M](#)) regarding the status of the substance abuse services pilot voucher payment program. She said 2011 Senate Bill No. 2326 provides that the department establish and administer a pilot voucher payment program to provide substance abuse services for the 2011-13 biennium. She said the department is to apply for funding available through a federal Access to Recovery grant program available from the federal Substance Abuse and Mental Health Services Administration Center for Substance Abuse Treatment. She said the center does not anticipate an Access to Recovery grant announcement for three years. She said the department will continue to monitor the grant's potential announcement.

It was moved by Senator Mathern, seconded by Representative Kilichowski, and carried on a voice vote that the Chairman and the staff of the Legislative Council be requested to prepare a

report and the bill drafts recommended by the committee and to present the report and recommended bill drafts to the Legislative Management.

Chairman Wieland thanked the committee members and the Legislative Council staff for their work during the interim.

Chairman Wieland adjourned the Human Services Committee sine die at 2:25 p.m.

Roxanne Woeste
Assistant Legislative Budget Analyst and Auditor

Allen H. Knudson
Legislative Budget Analyst and Auditor

ATTACH:13