

NORTH DAKOTA LEGISLATIVE COUNCIL

Minutes of the

BUDGET COMMITTEE ON HUMAN SERVICES

Wednesday, December 8, 1999
Conference Rooms A and B, Second Floor
West Central Human Service Center
600 South Second Street
Bismarck, North Dakota

Representative Jeff Delzer, Chairman, called the meeting to order at 9:00 a.m.

Members present: Representatives Jeff Delzer, Ron Carlisle, Audrey Cleary, Pat Galvin, Lyle Hanson, Roxanne Jensen, Todd Porter, Clara Sue Price, Sally M. Sandvig, Robin Weisz; Senators Dennis Bercier, Tom Fischer, Judy Lee, Marv Mutzenberger, Russell T. Thane

Members absent: Representatives Carol A. Niemeier, Ken Svedjan; Senators Judy L. DeMers, David O'Connell

Others present: See Appendix A

It was moved by Representative Cleary, seconded by Representative Jensen, and carried on a voice vote that the minutes of the October 6, 1999, meeting be approved as distributed.

HUMAN SERVICE CENTER SERVICES STUDY

Ms. Brenda Weisz, Director of Fiscal Administration, Department of Human Services, provided testimony updating human service center information presented at the October 1999 meeting, a copy of which is on file in the Legislative Council office. The updated information includes regional human service center populations, caseloads, and budget allocations. Also included is information regarding human service center administrative costs, contracted services, and general fund turnback for the 1997-99 biennium.

Mr. Rolf Storsteen, Director, South Central Human Service Center, provided testimony regarding services provided at each human service center and the length of time clients are served by contracted services as compared to direct human service center service, a copy of which is on file in the Legislative Council office.

Mr. Gene Hysjulien, Director, Disability Services Division, Department of Human Services, provided testimony regarding vocational rehabilitation and developmental disability caseloads and services, a copy of which is on file in the Legislative Council office.

In response to questions regarding services provided vocational rehabilitation clients and clients considered rehabilitated, Mr. Hysjulien agreed to

provide detailed information at the next committee meeting regarding the 6,969 clients served during federal fiscal year 1999 and additional information regarding clients rehabilitated.

In response to a question from Representative Price, Mr. Hysjulien said he is working with the Department of Human Services temporary assistance to needy families (TANF) staff to provide vocational rehabilitation services to eligible TANF recipients to assist in attaining employment for these clients.

Ms. Lynn Grosz, Program Administrator, Extended Care and Treatment Services, West Central Human Service Center, provided information regarding the use of case aide services in serving the seriously mentally ill. A copy of her presentation is on file in the Legislative Council office. She said the human service center developed a case aide certified care provider training curriculum available through Bismarck State College that consists of seven core modules and 44 hours of training. She said to date 147 individuals have participated in the training. She said the use of case aides has allowed the region to reduce psychiatric admissions to the State Hospital, to reduce the average overall cost per client, and to provide additional services within the community.

Ms. Carol K. Olson, Executive Director, Department of Human Services, provided testimony regarding departmental plans for its budget presentation to the 2001 Legislative Assembly. A copy of her presentation is on file in the Legislative Council office. Ms. Olson said Senate Concurrent Resolution No. 4003 resulting from the 1997-98 department study by Public Administration Services encourages the Department of Human Services to make the department's budget presentation more easily understood. She said as a result the department has developed the following budget objectives:

1. Provide basic standard of living.
2. Support people with disabilities.
3. Support older adults.
4. Assist people with mental health and substance abuse issues.
5. Promote health.
6. Promote safe living environment for children.

Ms. Weisz discussed the new budget objectives and said the department would like to submit its

2001-03 budget request in a format compatible with the budget objectives listed.

Representative Delzer said he likes the objectives but would have a problem with the budget presentation not corresponding to the appropriations bill. He said the department's appropriations bill should be appropriate to specific entities, including the State Hospital, the Developmental Center, and the eight regional human service centers.

Ms. Weisz said the department can still extract the information by funding entity from the budget request.

Representative Delzer said confusion may result as the SIBR system will not provide information on funding for each human service center.

Representative Carlisle said legislators need to know the amount of funding provided for human service centers and institutions.

Representative Delzer said the Appropriations Committees need to be able to look at the Department of Human Services budget in detail and relate the budget detail as adjusted to the appropriations bill under consideration.

Senator Lee said she was pleased with the department's strategic planning process and the funding by objectives.

Representative Delzer said he would like to see how the budget forms, the appropriations bill, and the Office of Management and Budget's SIBR system would be reflected under the Department of Human Services funding by objectives.

Mr. Chester E. Nelson, Jr., Legislative Budget Analyst and Auditor, said issues to be addressed include the format of the Department of Human Services appropriations bill and the inclusion of the traditional line items. Mr. Nelson said the Appropriations Committees need to be able to handle Department of Human Services budget analysis in the limited time that is available.

The Legislative Council staff said the Appropriations Committees analyzed the Department of Human Services request during the 1999 Legislative Assembly by reviewing expenditures to date, FTE positions, and other areas. The Legislative Council staff said a summary of the types of information requested by the Appropriations Committees during the 1999 Legislative Assembly could be prepared for the committee's consideration in discussing the department's budget presentation at the next meeting.

Chairman Delzer asked the Department of Human Services to provide at the next meeting information on the proposed budget forms and budget presentation methods for the 2001-03 biennium.

Ms. Arvy Smith, Office of Management and Budget, said the two issues relating to the Department of Human Services budget are the information required by the Legislative Assembly to analyze the department's budget request and the legal level of control of the budget. She said the Department of Human Services would like the level of control to be by objective rather than entity, such as human service centers and institutions.

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

Ms. Georgia Schulz, Chairperson, Advisory Council, West Central Human Service Center, discussed the Advisory Council's role in providing local input to the West Central Human Service Center. She introduced other board members who commented on their experience as an Advisory Council member.

Ms. Hilda Jensen, Oliver County representative, Hannover, discussed how the human service center was able to assist a girl with drug problems in her community.

Mr. Adolph Miller, Mercer County representative, Stanton, discussed the need for outreach services and said the Hazen outreach office was established two years ago.

Mr. Al Tschosik, Emmons County representative, Linton, discussed community involvement and the need for the human service center.

Ms. Ruth Graf, Kidder County representative, Steele, explained how she had referred representatives of a local school district to the human service center and how helpful the staff response was.

Dr. Vickie Claymore-Lahammer, Mental Health Director, Indian Health Service, Fort Yates, said the cooperation between the West Central Human Service Center and Indian Health Service was effective in the provision of services to clients that are determined ineligible for Indian health services. She said case management services at the West Central Human Service Center have been professional and culturally sensitive.

Mr. Robert H. Kniefel, Burleigh County representative, Bismarck, discussed the center's business planning efforts stating that FTE employee positions were closely managed and efforts were made to deliver prompt responses to client needs.

Ms. Karen Jorgensen, McLean County representative, Ryder, said she was a reluctant member of the Human Service Center Advisory Council. She discussed her family history and said better services are now being provided at the center compared to a few years ago.

Mr. Don Braun, Morton County representative, Mandan, said the Advisory Council's role is to provide feedback between the human service center and the citizens in need of the services.

In conclusion, Ms. Schulz said the human service center could do more in the area of prevention and she said the West Central Human Service Center Advisory Council would like to see more exchange of information with other regional advisory councils.

In response to a question from Representative Porter, Ms. Schulz said she would like to see the Advisory Council have a more active role with the director of the human service center and have more input in the budgeting process.

Mr. Matt Walsh, Director, West Central Human Service Center, distributed a packet of information including presentations by staff members of the West Central Human Service Center, a copy of which is on

file in the Legislative Council office. The information includes an overview of the services provided at the West Central Human Service Center for fiscal year 1999, which indicates 4,669 total clients were served at the center, including 3,387 adults and 1,282 children. Sixty-three percent of the clients received mental health and addiction services, 17 percent received developmental disabilities services, and 20 percent received vocational rehabilitation services.

Ms. Cherry Schmidt, Regional Aging Services Program Administrator, West Central Human Service Center, discussed the services provided by the aging services unit. She said the regional aging services unit monitors services funded under Title III of the Older Americans Act including fiscal and programmatic assessments for contracting entities. She said in addition, the unit provides technical assistance to service providers, trains county social service workers, and serves as a focal point for services to the aging and elderly in each region.

Ms. Rita Weisz, Supervisor, County Social Services Programs, West Central Human Service Center, provided testimony regarding the services the center supervises which include child protection services, foster care services, emergency shelter care services, early childhood services, family preservation, and regional inservice training.

Ms. Wanda Gier, Regional Administrator of Vocational Rehabilitation Services, West Central Human Service Center, discussed the services provided at the center which include employment services for 1,404 individuals during federal fiscal year 1999. The services provided include evaluation, restoration, training, employment, accommodations, and vocational guidance and counseling.

Mr. Harry Miller, Developmental Disabilities Program Administrator, West Central Human Service Center, discussed the developmental disabilities services provided at the center, the benefits of direct service delivery through private agencies, and the benefits of case management and service coordination through regional centers.

Mr. Bruce Carlson, Supervisor, Addiction Services, West Central Human Service Center, discussed the addiction services provided at the West Central Human Service Center which treated 1,208 people--976 adults and 232 adolescents--during fiscal year 1999. He said because of the State Hospital diversion programs, addiction treatment admissions from Region VII to the State Hospital have decreased from 286 in 1988 to 79 in 1996 to 14 for 1999 year to date. He said the adolescent treatment population is the fastest growing population at the center and a recent review of treatment plans for addiction clients indicated that 60 percent of the clients have additional problem areas which complicate their treatment process.

Ms. Mary Lee Steele, Program Administrator, Acute Care Services, West Central Human Service Center, provided testimony regarding mental health services at the center. She discussed the services

provided which include regional intervention services, the extended care unit, services for the seriously emotionally disturbed, intensive in-home therapy services, acute care unit, and the psychology unit.

Ms. Susan M. Gerenz, Program Director, Manchester House, Bismarck, discussed the Manchester House residential treatment center which includes a continuum of care for children ages 5 to 13 years. She said the continuum of care includes preadmission services, assessment, residential, clinical, educational, transition and aftercare, and out-of-state diversion.

Mr. Walsh discussed the goals and guiding principles at the West Central Human Service Center, the central management structure, and budget information. He said the status of the 1999-2001 biennium budget indicates other funds are projected to be \$10.6 million, \$90,000 less than the appropriated amount of \$10,750,566. He said the center expects to spend more than budgeted on salaries and wages and operating expenses because of replacing temporary staff at the Manchester House with six FTE staff. Mr. Walsh introduced guests that had been invited to the meeting representing private organizations that the center has partnerships with for the delivery of services.

Mr. Rodger Wetzal, St. Alexius Medical Center, discussed the mental health services provided at St. Alexius Medical Center and its partnership arrangements with the West Central Human Service Center for the provision of mental health services.

Ms. Sandy Noble, Director, North Dakota Division, Casey Family Program, discussed the role of the Casey Foundation. She said a proposal is being developed which could provide a total of \$1 million over a three-year period from the Casey Foundation for a community-strengthening program through the Manchester House.

Ms. Melanie Heitkamp, Executive Director, Youth Works, discussed the organization's focus on youth and families, primarily adolescents, and the use of youth peer workers.

Ms. Carrol Meyers, Executive Director, Ruth Meiers Hospitality House, discussed services provided by the Ruth Meiers Hospitality House and its partnership with the West Central Human Service Center which includes the contracting of two residential beds for individuals also receiving addiction services at the center.

Ms. Doreen Eichele, Dacotah Foundation, discussed the history of the foundation in the provision of services in the Bismarck area. She said the services made available by partnerships between the Dacotah Foundation and the West Central Human Service Center include the Manchester House, the Arbor House, a Dakota Learning Center, and the Discovery House. She said this partnership has helped the development of necessary services for the seriously mentally ill.

Mr. Curt Markel, West Central Human Service Center, provided a "power point" presentation of

research efforts at the West Central Human Service Center. The presentation included information regarding the use of client satisfaction surveys, treatment outcomes, and other utilization review methods.

The Legislative Council staff presented a memorandum entitled *Temporary Assistance for Needy Families Program - Funding Uses*. The memorandum includes information regarding TANF purposes and optional uses of the TANF funds.

Mr. John Hougen, Assistant to the Director, Public Assistance Division, Department of Human Services, provided testimony regarding the TANF program, a copy of which is on file in the Legislative Council office. Mr. Hougen said the TANF caseload for the month of October 1999 was 2,907 families reflecting a reduction of 85 cases since August 1999. He said caseloads have been reduced recently but still exceed the estimates included in the 1999-2001 biennial budget.

Mr. Hougen said 50 percent of TANF clients are involved in unsubsidized employment with an additional 24 percent in "work experience." He discussed the family cap which affects 161 children born to parents in the TANF program. The family cap does not allow families to receive additional benefits for these children which results in TANF benefits being approximately \$90 less per month than if the child was included in the grant. Mr. Hougen also discussed the Fresh Start project in Rolette County, a TANF tribal pilot project. He said the pilot project is showing early signs of success and during the next semester 15 classroom participants and 20 work activity participants are expected. He said the department is actively seeking other pilot projects.

Mr. Hougen said the federal government recently informed the state it will receive a "high performance" bonus of \$887,213 because of North Dakota's high ranking for the percentage of TANF recipients becoming employed. Mr. Hougen's presentation included a status report on the TANF block grant expenditures for the 1999-2001 biennium, a copy of which is attached as Appendix B.

In response to questions from committee members, Mr. Hougen said the Department of Human Services projects approximately \$9 million of TANF carryover to the 2001-03 biennium and that any carryover can only be spent on TANF assistance. He said the state may obligate TANF funds prior to the end of a federal fiscal year which would allow the state to use the funds for purposes other than assistance. He said if TANF funds are carried over to the subsequent fiscal year, the funds would be the first moneys used for assistance payments in that year.

Chairman Delzer asked the department to provide committee members with a copy of the TANF expenditures quarterly reports filed with the federal government.

In response to questions from committee members regarding tribal interest in a tribal TANF program, Mr. Hougen said the Turtle Mountain Band of Chippewa Indians and the Three Affiliated Tribes have

both expressed interest in operating a tribal TANF program. He said the tribes are concerned with provisions in 1999 Senate Bill No. 2114 that limit the amount of state funding available to a tribe for operation of a tribal TANF program.

Representative Price said the Department of Human Services and the tribal governments need to develop a proposal for a tribal TANF program prior to the 2001 Legislative Assembly.

Representative Price asked that the Department of Human Services provide testimony at the next committee meeting regarding department efforts to continue Medicaid eligibility for TANF recipients that become employed and exit the TANF program. Chairman Delzer asked the department to provide that information at the next meeting.

Mr. Leo Cummings, Department Administrator, Employment Training, Three Affiliated Tribes, New Town, provided testimony, a copy of which is on file in the Legislative Council office. Mr. Cummings said based on Senate Bill No. 2114 passed by the 1999 Legislative Assembly, the tribe's allocation of funding would be insufficient to meet expected administrative and grant requirements. He said he recommends the tribe not operate a tribal TANF program with this level of funding.

Representative Weisz said the funding available to tribes is based on April 1, 1999, caseloads, and some Indian reservations have actually experienced a decline in TANF recipients since that date. He said that date is provided as an incentive for the reservations to reduce their TANF caseloads similar to the incentives provided states in the original federal legislation.

Representative Delzer said if the current law does not provide enough funding, the tribes and the Department of Human Services need to identify what changes need to be made and what would be an acceptable level of funding.

Senator Bercier said the representatives of the tribes and the Department of Human Services should meet and negotiate this issue.

Mr. Kenneth W. Davis, Turtle Mountain Band of Chippewa Indians, Belcourt, said the tribal chairman plans to send a letter to the Department of Human Services asking that negotiations begin regarding a tribal TANF program.

The committee adjourned at 5:48 p.m. subject to the call of the chair.

Jim W. Smith
Assistant Legislative Budget Analyst and Auditor

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

ATTACH:2