

NORTH DAKOTA LEGISLATIVE COUNCIL

Memorandum on Visitations

of the

BUDGET COMMITTEE ON INSTITUTIONAL SERVICES

Tuesday and Wednesday, November 2-3, 1999
State Hospital, James River Correctional Center,
South Central Human Service Center
Jamestown, North Dakota

Representative Merle Boucher, Chairman, called the meeting to order at 12:30 p.m.

Members present: Representatives Merle Boucher, LeRoy G. Bernstein, Jeff Delzer, William E. Gorder, Scot Kelsh, Joe Kroeber, Ralph Metcalf, Chet Pollert; Senators David E. Nething, Harvey Sand, Wayne Stenehjem, Harvey D. Tallackson

Member absent: Representative Rod Froelich

BUDGET TOUR

Mr. Alex Schweitzer, Superintendent, State Hospital, presented information on the State Hospital's budget, programs, services, and the hospital's patient population. Mr. Schweitzer reviewed the State Hospital's strategic plan. Mr. Schweitzer said the State Hospital's mission is to provide specialized psychiatric and substance abuse services for individuals whose needs exceed the resources and capacity of other community services.

Mr. Schweitzer commented on the State Hospital's patient population. Mr. Schweitzer said the State Hospital currently has 153 patients. He said the State Hospital's average daily population for fiscal year 1999 was approximately 170 patients while for fiscal year 2000, the State Hospital is projecting its average daily population to be approximately 150. Mr. Schweitzer said total State Hospital admissions have decreased from over 1,700 in fiscal year 1998 to approximately 1,000 in fiscal year 1999. He said for fiscal year 2000, the State Hospital is projecting 800 total admissions.

Mr. Schweitzer reviewed the status of the hospital's 1999-2001 budget. Mr. Schweitzer said current budget projections for the State Hospital for the 1999-2001 biennium indicate revenues of \$49 million, \$2.7 million less than original projections approved by the 1999 Legislative Assembly. He said the revenue shortfall results from a reduction in Medicaid, Medicare, and third-party insurance payments relating to patients that are being served in the community rather than the State Hospital. He said the State Hospital anticipated this shortfall and expects that expenses relating to staffing and direct patient expenses will also be less than budgeted; therefore, he believes the

State Hospital will be able to manage the revenue shortfall.

Mr. Schweitzer reviewed the status of capital construction projects at the State Hospital. He said major capital projects include:

1. Demolition of the ABC building - Estimated cost \$128,600. The project is expected to be completed by December 1999.
2. Pumphouse construction - Estimated cost \$221,946. Because the State Hospital intends to demolish the 9 West building, a pumphouse needs to be constructed to move water from the physical plant area to the patient care buildings on the west side of the campus.
3. Boiler replacement - Estimated cost \$750,000 to \$1,000,000. This project is currently in the design phase and the State Hospital anticipates the new boiler will be installed in August 2000.

Mr. Schweitzer presented the following schedule showing anticipated major repairs and improvements that may be requested from the 2001 Legislative Assembly:

Landfill closure	\$414,000
Chemical dependency service building window replacement	200,000
Children and adolescent service building sprinkler system	85,000
Asbestos abatement	114,000
Building code renovations in the Learning Resource Center	100,000
Upgrade hospital fire alarm system	75,000
Roof repairs	100,000
Underground utility tunnel repairs	100,000
Campus roadway repairs	125,000
Parking lot curb, gutter, and paving	50,000
Air-handling system improvements in the chemical dependency service building	100,000
Cooling tower for the Lahaug building	35,000
Total	\$1,498,000

Mr. Schweitzer reviewed the sexual offender treatment program operating at the State Hospital as a result of the passage of 1997 House Bill No. 1047. He said the program currently has six patients and is

anticipating one additional patient arriving soon. He said the cost per day per patient in this program is \$541.27. He said the hospital currently has 11 beds available for sexual offenders.

Mr. Schweitzer said the hospital is in the process of reviewing the long-term expansion needs of this program. He said based on national trend information, approximately 10 percent of all sexual offenders who leave prison are civilly committed to these types of programs. He said there are currently 120 sexual offenders in the State Penitentiary which could result in the admission of 12 offenders into this program over the next few years. He said this is in addition to the admissions of individuals who have not yet been incarcerated.

Mr. Schweitzer said the hospital currently does not have a separate budget for the treatment of sexual offenders. He said the funding for the program has been reallocated from other areas of the State Hospital's budget. He said the hospital anticipates needing 20 total beds for this program over the next two to four years. He said the operating budget to treat 20 sexual offenders would total approximately \$6 million. He said the State Hospital is not suggesting this will be an additional budget request for the State Hospital, but consideration will need to be given to the future of this program.

A copy of the report is on file in the Legislative Council office.

Representative Boucher expressed concern with the potential cost to the state for the sexual offender treatment program. He said it is important for the Legislative Assembly to be continually updated on the status of this program.

Representative Kroeber asked whether the sexual offender treatment program results in security concerns for the State Hospital. Mr. Schweitzer said security will need to be addressed as the program expands. He said the program may need to be housed in a separate facility at the State Hospital. He said currently the program is collocated with adult psychiatric services. He said the State Hospital is considering various options for relocating the sexual offender program.

Representative Delzer expressed concern that individuals are being placed in this program under plea bargain arrangements rather than serving their sentence in the State Penitentiary prior to receiving services in this program.

Senator Stenehjem suggested the Attorney General's office be asked to comment on offenders being placed in the treatment program rather than serving their sentence at the State Penitentiary.

Chairman Boucher asked the Legislative Council staff to arrange for presentations on how the provisions of 1997 House Bill No. 1047 relating to the sexual offender treatment program are being administered and how this program is affecting the incarceration of sexual offenders.

In response to questions from Representative Delzer and Senator Nething, the State Hospital distributed the following schedule showing the daily rates for the various services at the State Hospital:

State Hospital - Average Daily Rates as of July 1, 1999	
Service	Average Daily Cost
Adult psychiatric services - Admissions	\$472.70
Adult psychiatric services - Sexual offenders and secure beds	\$541.27
Other adult psychiatric services	\$345.20
Children and adolescent services	\$474.64
Chemical dependency services - Inpatient	\$346.88
Chemical dependency services - Residential	\$252.13
Eight Rivers Residential Treatment Center	\$378.88
Transitional living	\$197.39

The committee conducted a tour of the State Hospital, including viewing the 9 West building and the ABC building which are scheduled for demolition, the Lahaug building housing the adult psychiatric service and the sexual offender treatment program, the child and adolescent unit, and the chemical dependency unit.

The committee proceeded to Roughrider Industries at the James River Correctional Center. Mr. Dennis Fracassi, Director, Roughrider Industries, presented information on the programs of the Roughrider Industries program in Jamestown. He said Roughrider Industries constructed a 10,000-square-foot building and began its operations at the James River Correctional Center in April 1999. He said Roughrider Industries currently employs 30 inmates and plans to expand to 60 to 70 inmates in the Jamestown facility. He said Roughrider Industries has developed partnerships with private industries for the Jamestown program. He said one of the partnerships is with Global Electric Motors which builds electric vehicles. He said Roughrider Industries assembles the seats and canvas-type doors for the vehicles. Mr. Fracassi said the other private company Roughrider Industries has developed a partnership with is Acceleration Products, Inc. For this company, he said, Roughrider Industries assembles an exercise unit for individuals to use for strengthening muscles for athletics or rehabilitation.

The committee proceeded to the James River Correctional Center. Mr. Don Redmann, Director, commented on the center's programs, services, and inmate population. Mr. Redmann said the facility began operations in June 1998. He said the facility has a capacity of 240 inmates, 160 men and 80 women. He said the current inmate population is 198, comprised of 158 men and 40 women.

Mr. Redmann said the facility currently has 96.5 FTE positions, including 60 uniformed officers. Mr. Redmann said upon completion of the fifth and

sixth floors, the center is authorized to hire an additional 20 FTE positions.

Mr. Redmann commented on capital improvement projects at the facility. He said upon approval of federal funding, the department will begin the remodeling of the fifth and sixth floors of the facility. Mr. Redmann said the center also plans to construct a front gate security station to allow individuals visiting the center to enter through a small building rather than an outdoor gate system.

Regarding capital construction projects for the 2001-03 biennium, Mr. Redmann said no major projects have yet been identified.

The committee conducted a tour of the James River Correctional Center, including the high security unit (formerly the forensic unit building), the inmate housing facility, and the gymnasium and recreation area.

The committee recessed at 4:45 p.m. and reconvened at 9:00 a.m. on Wednesday, November 3, 1999.

BUDGET TOUR

After other committee business, the committee traveled to the South Central Human Service Center.

Mr. Rolf Storsteen, Director, South Central Human Service Center, welcomed the committee to the center. He said the center operates eight satellite offices in its region.

Mr. Carter Van Beek, Licensed Social Worker, South Central Human Service Center, commented on emergency services provided at the human service center. He said the center, since July 1999, screens all admissions to the State Hospital. He said one of the center's options for providing services as an alternative to the State Hospital is to utilize the center's 12-bed crisis residential unit. He said the center has had a total of 272 admissions to its crisis residential unit from January through October 1999. He said the average daily occupancy of the unit varies from 8 to 10 residents.

A copy of the report is on file in the Legislative Council office.

Ms. Debbie Gletne, Aftercare Coordinator, South Central Human Service Center, provided information on aftercare services provided by the center. She said aftercare services are generally provided to individuals referred from an inpatient psychiatric treatment program such as the State Hospital. She said the center provides continued treatment on an outpatient basis. She said the aftercare coordinator is a vital link in communications between the hospital treatment team, the client, the outpatient treatment team as well as community support services.

Ms. Gletne said communications and coordination between the hospital and community-based services will continue to be vital in developing discharge plans and allowing these individuals to live successfully in the community.

A copy of the report is on file in the Legislative Council office.

Ms. Donna Lindberg, Case Manager, South Central Human Service Center, commented on the duties of a case manager.

Ms. Lindberg said many hospitalizations are able to be averted through aggressive case management services. She said case management services include monitoring an individual's condition through direct visits or telephone contacts with the individual and community support service representatives. She said the case manager provides independent skills evaluation and training, interpersonal skills training, socialization, symptom identification, and, if the individual prefers, vocational exploration.

Ms. Lindberg commented on the independent living program provided in Valley City. She said 10 individuals have been discharged from the State Hospital into this program. She said the program provides 24-hour supervision to individuals living in their own apartments within one housing complex. She said the focus of the program is to assist individuals to live successfully in a community setting. She commented on the success of this program in allowing these individuals to live in the community rather than the State Hospital.

A copy of the report is on file in the Legislative Council office.

Ms. Laurie Kramer, Children and Family Services Unit, South Central Human Service Center, commented on services provided by the Children and Family Services Unit. She said the unit provides comprehensive family-based services within the nine-county south central region. She said the children and families served by this unit often experience multiple problems that impact every area of their lives. She said the unit provides individual and family therapy, crisis intervention, case management, parenting education, and case aide services. Services are community-based and often are provided in the child's home, school, or community. Ms. Kramer provided examples of how the unit, in working with parents, children, and other community support personnel, have assisted children to stay with their family rather than being placed in a residential facility. A copy of the report is on file in the Legislative Council office.

Ms. Karalee Marsaa, Licensed Addiction Counselor, South Central Human Service Center, provided information on the alcohol and drug day treatment program.

Ms. Marsaa said services are provided on a community level as an alternative to inpatient alcohol and drug abuse treatment. She said the State Hospital daily reassesses an individual admitted to the State Hospital for detoxification to determine whether they are stable enough to be involved in the day treatment program at the South Central Human Service Center. She said as a result of this screening process at the State Hospital, a number of clients who

would have been treated at the State Hospital are now being served in the center's day treatment program. If a client is from out of town, she said, the client has the option of residing at the crisis residential unit.

A copy of the report is on file in the Legislative Council office.

Mr. Mark Anderson, Business Manager, South Central Human Service Center, presented information on the center's budget. Mr. Anderson said the 1999-2001 biennium budget for the center totals \$9.6 million, \$5.1 million of which is from the general fund, and he said the center is authorized 79 FTE positions.

Mr. Anderson said of the center's budget, 85 percent is dedicated to client services and 15 percent to administration and support. Mr. Anderson said because of the increased usage of the crisis residential unit, the center is currently projecting a \$50,000 operating deficit for the facility. In addition, because of salary funding reductions

associated with vacant positions approved by the 1999 Legislative Assembly, the center is continuing to leave a number of positions vacant, including a temporary doctor position that the center had been using to provide psychiatric services to clients. He said the center is also using temporary positions to deliver services in outlying areas, including a human relations counselor, a case manager, and a part-time nurse in Valley City. By hiring temporary positions to serve these areas, he said, the center is able to save money by not having to pay for travel time and by not having to pay fringe benefits. He said the center recently hired a nurse practitioner to do medication management which allows the center's doctors to use their time for psychiatric evaluations.

A copy of the report is on file in the Legislative Council office.

The committee conducted a tour of the South Central Human Service Center.

The committee adjourned subject to the call of the chair at 5:10 p.m.