

north dakota
**department of
human services**

2001-2003 Biennial Report

**John Hoeven, Governor
Carol K. Olson, Executive Director**





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*This biennial report can be made available in an alternative
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Table of Contents

Message From The Executive Director	5
Department Mission And Goal Statements	6
Facts	7
Where Did The Money Go?	7
Major Expenditures	8
Organizational Chart	9
Department Accomplishments	10
Field Services	15
Field Service Expenditures	16
Human Service Center Expenditures	16
Human Service Center Core Services	18
North Dakota State Hospital	20
Developmental Center	21
Program and Policy Divisions	23
Expenditures.....	24
Aging Services Division	25
Children And Family Services Division (child welfare services).....	26
Disability Services Division (developmental disabilities and vocational rehabilitation services)	28
Division Of Mental Health And Substance Abuse Services	29
Economic Assistance Divisions	31
Expenditures.....	32
Child Support Enforcement Division	33
Medical Services Division (Medicaid and related services).....	35
Economic Assistance Policy/Grants Division (child care assistance, Temporary Assistance for Needy Families, food stamps, etc.)	38
Appendices	41
Expenditures By Subdivision And Line Item With Funding Sources	43
Administrative Costs	44
Summary Of 2003 Legislation.....	45

Message from the Executive Director

The 2001-2003 biennium will be remembered as a challenging time for the Department of Human Services. Medical costs, caseloads, and utilization continued to rise, impacting the department's Medicaid budget. The state's aging population also resulted in a growing demand for home and community-based services and resources.



Carol K. Olson

During the biennium, the department maintained its commitment to support consumer choice and the delivery of services in the least restrictive, appropriate setting. The department secured a Real Choices Systems Change Grant for the Governor's Commission on Olmstead and actively supported commission efforts. The alignment of department institutional and community-based mental health and substance abuse treatment resources continued. As community resource utilization continued to change, the State Hospital experienced a 26 percent reduction in admissions.

Substance abuse trends, especially methamphetamine and alcohol abuse, gained public attention. To address these community concerns, the department committed resources in support of North Dakota First Lady Mikey Hoeven's public awareness campaign and provided treatment services to the adult and juvenile drug courts in the state. The department also dedicated an additional \$1 million of the federal substance abuse block grant funding for adolescent addiction treatment services assuring access to adolescent-specific services at all eight regional human service centers.

Efforts to promote family self-sufficiency were sustained and strengthened as the department and its human service centers, in conjunction with Job Service North Dakota, county social service staff, and tribal program staff, implemented pilot programs in several regions of the state involving clients of the Temporary Assistance for Needy Families program. Families and children also received increased support because of the combined efforts of the department, the courts, and the counties who all perform significant roles in North Dakota's Child Support Enforcement Program.

During the past two years, the department also sought to enhance the delivery of services to the state's Native American residents. Staff met with tribal program staffs to enhance communication and collaboration, and the department sponsored two Indian Child Welfare Act conferences. With the assistance of the Native American Training Institute, the department also produced and distributed a cultural guidebook and offered training to staff. Divisions also contracted with tribal programs for the provision of culturally appropriate child welfare, work readiness, and substance abuse treatment services on reservations in North Dakota.

These are only a few of the accomplishments achieved by our dedicated staff members in conjunction with our partners in the human services system. We will continue to strive to accomplish our mission by providing quality, efficient, and effective human services, which improve the lives of people.

Sincerely,

A handwritten signature in cursive script that reads "Carol K. Olson".

Carol K. Olson
Executive Director

Mission Statement:

The North Dakota Department of Human Services' mission is to provide quality, efficient and effective human services, which improve the lives of people.

We seek to accomplish this by:

- Helping to provide for the basic needs of individuals and families who do not have the current capacity to support themselves, and assisting them to move from poverty to self-sufficiency
- Promoting safe, secure, and nurturing living environments, and protecting children from abuse and neglect
- Helping people with disabilities of all ages to live safely and productively in the least restrictive and appropriate setting, and supporting them in their efforts to attain employment and/or independence
- Assisting people with mental health needs or substance abuse treatment needs to receive services in the least restrictive, appropriate setting
- Promoting health through preventive services and specialized care, and ensuring that eligible individuals can access necessary medical services

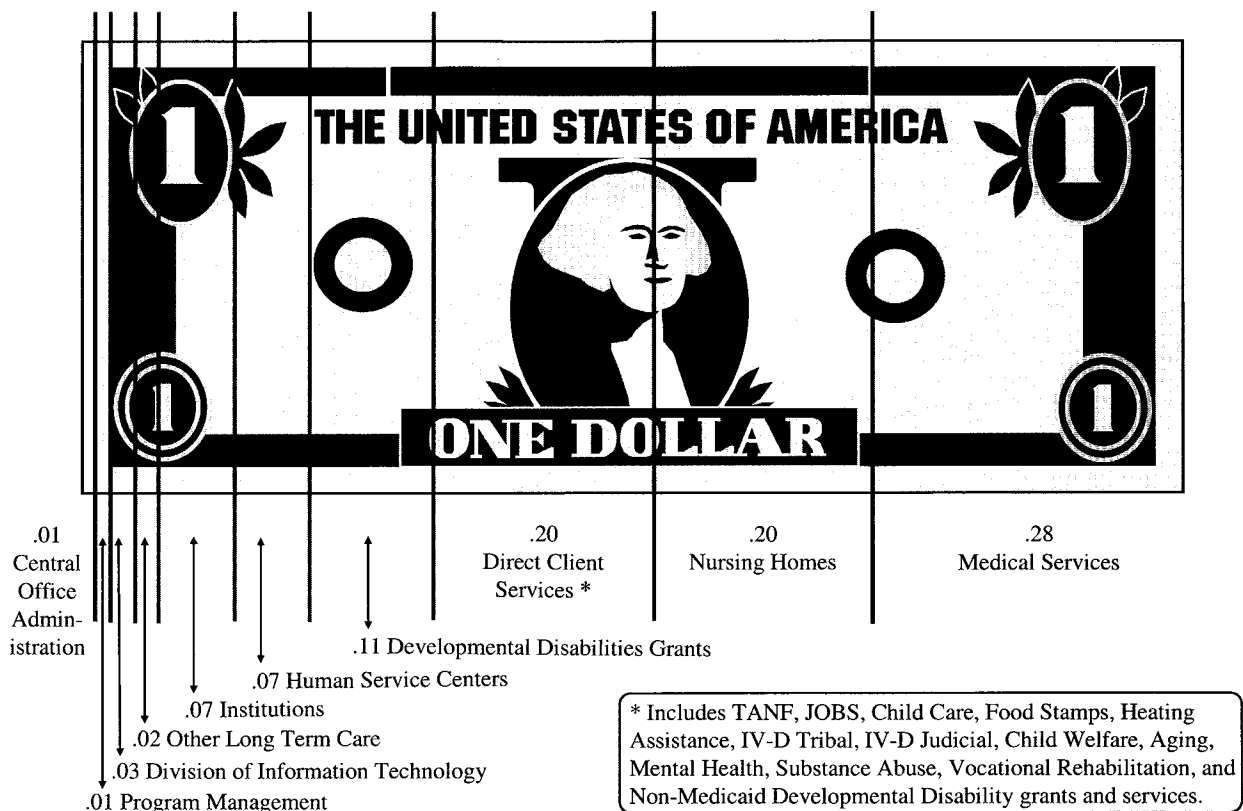


Facts

During the 2001-2003 Biennium, the North Dakota Department of Human Services:

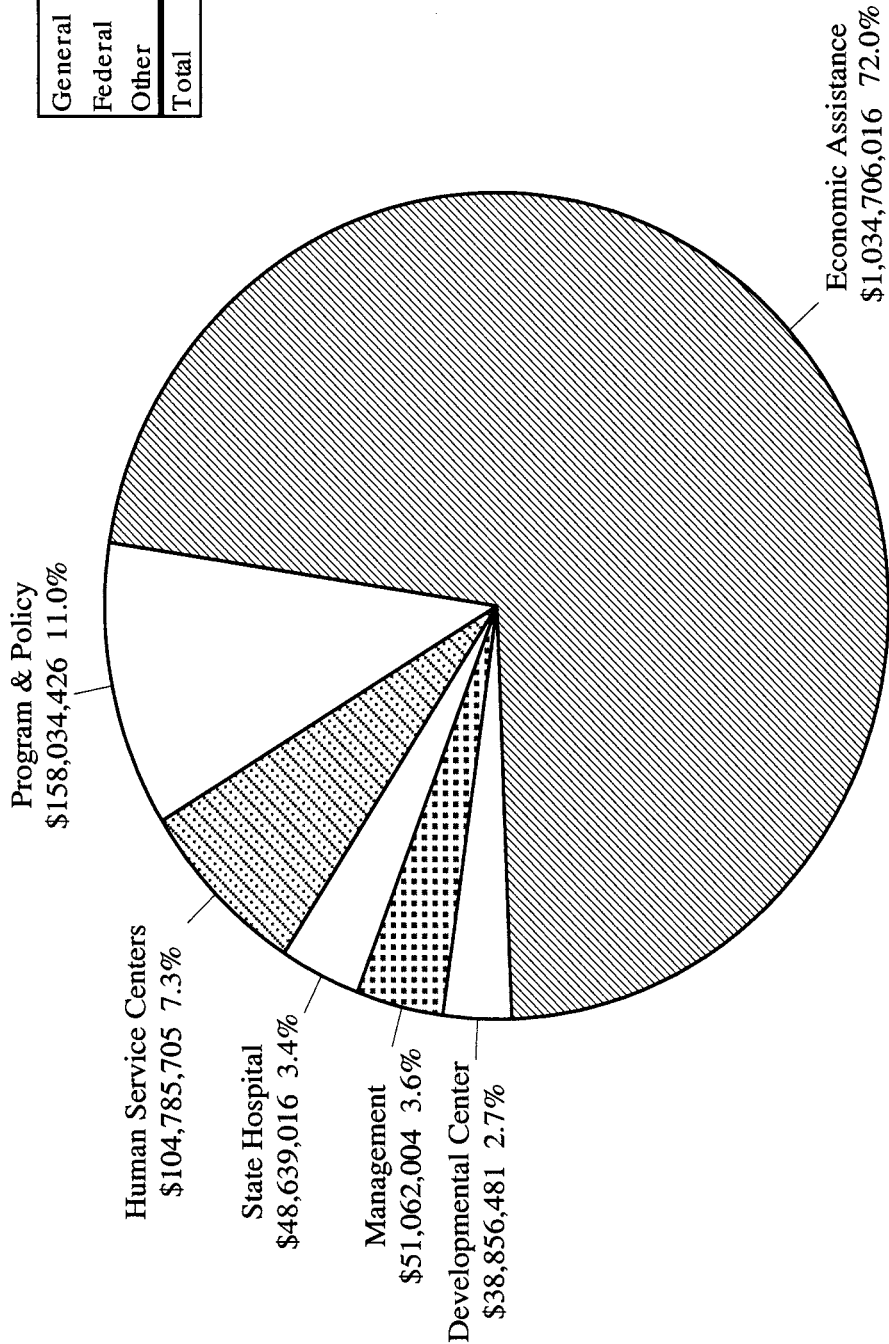
- Served thousands of state residents directly or through programs and services involving county social services staff, as well as private providers who contract with the state
- Provided direct services through eight regional human service centers, the State Hospital, and the Developmental Center
- Employed about 2,000 people (The regional human service centers, the State Hospital, and the Developmental Center employed about 80 percent of the department's personnel.)
- Had a \$1.4 billion budget of which 25.7 percent was in state general funds

Where Did the Money Go? Department-Wide Total Funds \$1,436,083,648

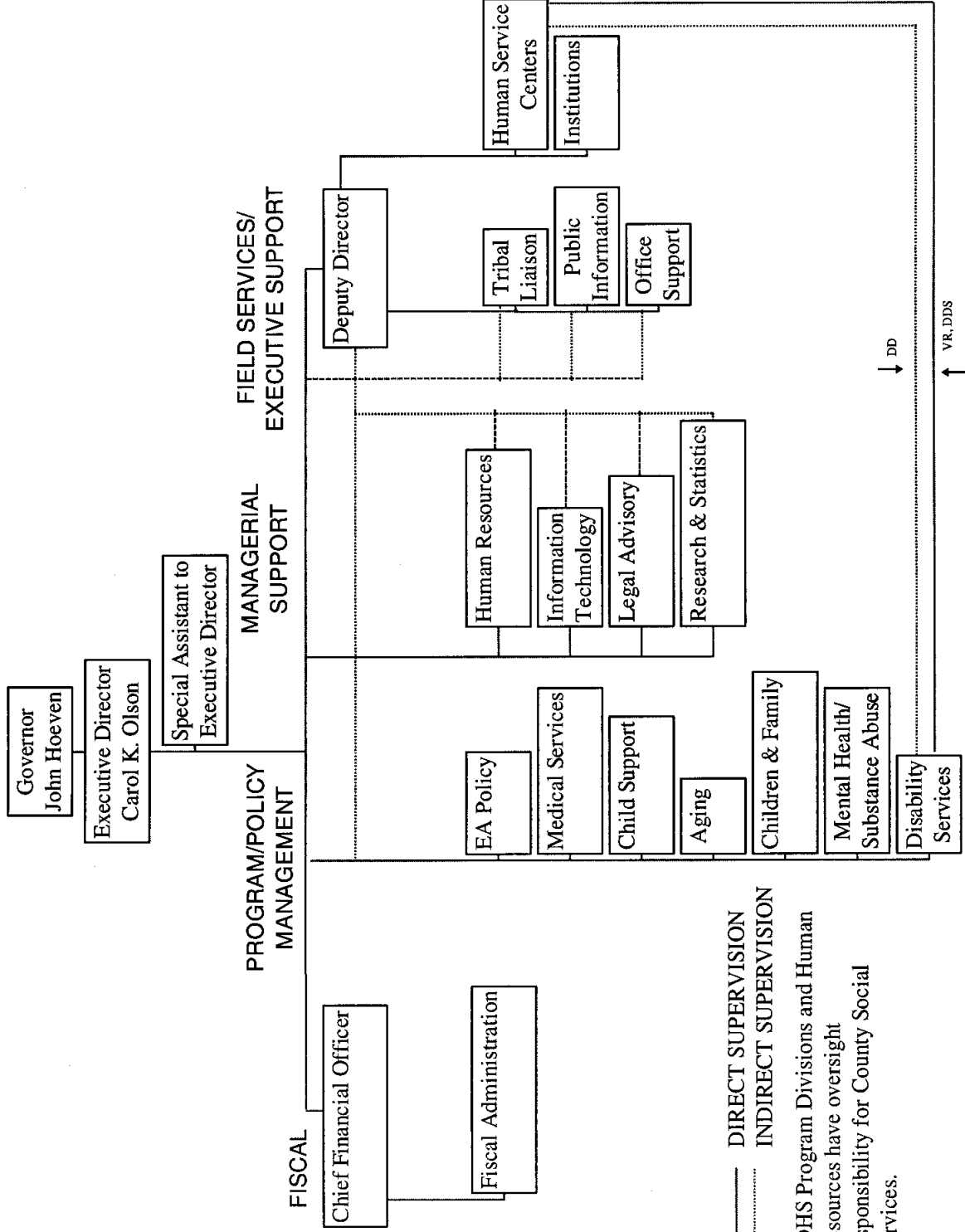


Major Expenditures 2001-2003 Biennium

	Funding	Percent
General	\$368,771,227	25.7%
Federal	\$943,591,615	65.7%
Other	\$123,720,806	8.6%
Total	\$1,436,083,648	100.0%



NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES



_____ DIRECT SUPERVISION
 INDIRECT SUPERVISION

*DHS Program Divisions and Human Resources have oversight responsibility for County Social Services.

North Dakota Department of Human Services

2001-2003 Accomplishments

EDUCATION

Launched Child Care Apprenticeship Project

- Received a \$325,000 grant from the U.S. Department of Labor in October 2002 to implement a Child Care Apprenticeship Project to strengthen early childhood education
 - Promotes comprehensive training leading to nationally recognized credentials, career development through progressive wage increases, advanced educational opportunities, and pathways for career growth
 - Provides direction and guidance to existing childcare centers to support meaningful on-the-job experiences for apprentices, journey teachers, and other staff, thus enhancing workforce retention
 - Enhances the quality of childcare programs through concentrated training and evaluation and the creation of model centers with apprenticeship programs located in Minot, the Fort Berthold Reservation, Bismarck, Manvel, Grand Forks, Mayville, and Fargo

Received Grant Funding For An Early Childhood Education Professional Development System

- Received ongoing funding from the Bush Foundation totaling \$244,346 to develop a voluntary professional development system for early childhood education professionals

EFFICIENCY

Adopted A Shared Management Model At Six Human Service Centers

- Expanded the management responsibility of three human service center directors following the retirement of three directors
 - Reduced administrative costs and promoted program alignment among the human service centers in Bismarck, Devils Lake, Dickinson, Fargo, Grand Forks, and Jamestown
 - Built on the success of shared management model initiated in 2000 when one superintendent was named to provide leadership at both the State Hospital and the Developmental Center

TECHNOLOGY

Implemented Health Insurance Portability And Accountability Act (HIPAA)

- Implemented HIPAA privacy and security provisions and started working on the Regional Office Automation Project at the department's human services centers to ensure that clinical and business office technology met HIPAA requirements

Initiated A Computerized Treatment Plan For Children Served By Multiple Systems

- Implemented the Single Plan of Care computer application, which serves as the treatment plan for children affected by the mental health, child welfare, and juvenile justice systems
- Families and children will benefit from consistency across the systems and a single plan of care

QUALITY OF LIFE

Provided Treatment And A Second Chance For Non-Violent Juvenile And Adult Drug Court Participants

- Partnered with the courts, the Department of Corrections and Rehabilitation, schools, and other agencies to provide the treatment component of local drug court programs
- Treated 53 adult drug court participants (Bismarck) and 123 juvenile drug court participants (Bismarck, Fargo, and Grand Forks) since 2000
- Achieved a lower incidence of positive drug tests (14 percent) compared to the national average of 22-23 percent for juvenile drug court participants
- Contributed to positive program outcomes
(Evaluations of North Dakota's drug courts show that program participants are less likely to reoffend and break the law than non-participants.)

Addressed Family Caregiver Needs

- Funded a survey to identify the needs of informal family caregivers and subsequently implemented a caregiver support program statewide to provide support, training, service referrals, and needed respite to caregivers who help elderly and disabled people remain living in their homes and communities as their abilities change
 - Served individuals who were caring for elders
 - Served elders who were the primary caregivers for young relatives (age 18 and younger)

Strengthened Long-Term Care Ombudsman Program

- Recruited and trained over 100 volunteer community ombudsmen to advocate for residents of long-term care facilities and the families of residents to help ensure quality care
- Expanded this important service to residents living in basic care and assisted living facilities

Provided Breast And Cervical Cancer Coverage For Uninsured Women

- Helped 61 low-income, uninsured women receive cancer treatment services since the inception of North Dakota's breast and cervical cancer coverage program in 2001
- Continued to ensure that uninsured women who were diagnosed with breast or cervical cancer through the state's Women's Way cancer screening program were covered for their cancer treatments
- Addressed a previously unmet need by serving uninsured women who do not qualify for regular Medicaid coverage or Medicare, the federal health coverage program for people age 65 and older

Made It Easier For Families To Access Health Coverage Programs For Children

- Met legislated goal of enhancing access to Medicaid and the Healthy Steps Children's Health Insurance Program by developing a joint application and making it available on the Internet
- Conducted outreach to educate providers and others about legislative action that removed the asset limit from Medicaid eligibility decisions for low-income families, children, and pregnant women

Contained Medicaid Prescription Drug Costs

- Monitored claims data and implemented private insurer pricing solutions, which reduced Medicaid prescription drug expenditures by 2 percent even as pharmaceutical service usage grew at a rate of 5.49 percent during the 2001-2003 biennium

- ❑ Used enhanced computer technology to identify and address inappropriate utilization and to work with pharmacy providers to increase the cost effectiveness of drug therapies
- ❑ Adopted private insurer strategies including appropriate reimbursement for generic prescriptions and implemented co-payments for brand-name products
- ❑ Collaborated with pharmacies and pharmacists to educate prescribers about cost effective drug therapy treatments

Implemented A Cultural Awareness Initiative

- ❑ Launched a cultural awareness project in 2001 to enhance the delivery of human services to the state's increasingly diverse population
 - Held joint meetings with tribal program staff to enhance communication and collaboration
 - Produced and distributed a cultural guidebook developed with the technical assistance of the Native American Training Institute (NATI)
 - Offered training to department staff in the form of workshops conducted by the training institute and informed other human service agencies of training opportunities
 - Helped sponsor the annual Indian Child Welfare Act conference, which is now in its third year
 - Contracted with tribal programs for the provision of culturally appropriate child welfare, work readiness, and substance abuse treatment services on reservations in North Dakota

Partnered With S.D. On The Dakota Fatherhood Initiative

- ❑ Initiated an effort through the Head Start State Collaboration Office to promote the active involvement of fathers in the lives of their children by partnering with North Dakota State University and South Dakota
 - Held three Dakota Fatherhood Summits to bring professionals and parents together, to raise awareness of the importance of increasing father involvement in the lives of their children, and to promote healthy family relationships
 - Helped fund the research and development of the *Father Times* newsletter that will be distributed to fathers through Head Starts, Early Head Starts, and other avenues, as well as a Father Friendly Assessment Tool that will help Head Start programs and other providers assess whether their programs are geared to the needs of fathers

Enhanced The Support Of Children

- ❑ Became the 19th state to earn federal certification for its automated child support enforcement computer system (States without certified systems face fiscal penalties from the federal government.)
- ❑ Moved from 12th to fourth place nationwide from 2001 to 2002 based on unofficial rankings that compare states on the percentage of current child support paid, the percentage of cases with established support orders, arrearages, and other performance criteria
- ❑ Enhanced customer service for parents and employers by implementing direct deposit, electronic fund transfers, and on-line services so that customers could access their own payment records
- ❑ Projected collecting \$91.5 million in child support payments in 2003, (a 5 percent increase over 2002 collections)
- ❑ Projected a 7 percent growth in collections from 2002 to 2003 for that portion of the child support caseload known as IV-D caseload that is referred by public assistance programs and by custodial parents (Collections in 2003 were projected to total \$59.4 million for this part of the caseload.)

- Expanded the use of legislatively authorized enforcement tools such as wage withholding, federal and state tax refund intercepts, credit reporting, and other new administrative enforcement tools to ensure that non-custodial parents support their children

Enhanced Adolescent Addiction Treatment Services

- Earmarked \$1 million in additional federal substance abuse block grant funding for adolescent addiction treatment services during the 2001-2003 biennium
 - Distributed funds to each human service center region to enhance local adolescent treatment resources and to address access issues
 - Enabled three of the eight regions to offer adolescent-specific services where none previously existed (Based on local needs, centers hired additional treatment counselors, contracted for needed services – especially residential and other structured treatment options, and strengthened intensive outpatient programs and day treatment programs.)

Participated In Child Welfare Quality Initiative

- Participated in September 2001 federal Children and Family Services Review – a child welfare quality review that assesses state performance in safety, permanency, and child well-being indicators against new federal standards
- Achieved substantial conformity on all of the systemic factors (child welfare information system, case review system, quality assurance system, staff training, array of services, agency responsiveness, and foster and adoptive home licensing, approval, and recruitment)

The state was commended for:

- Initiating child maltreatment investigations promptly
 - Providing services to families to prevent child removal and to protect children
 - Setting and working toward permanency goals
 - Placing children near their families and encouraging visitation when appropriate
 - Involving parents in case planning and meeting the education and physical health needs of children in care
- Utilized review results to develop and submit a Program Improvement Plan to enhance child welfare services related to safety, permanency, and well-being standards, and initiated an annual review process to track program improvement efforts by region

Supported The Olmstead Commission's Home And Community-Based Service Initiative

- Held focus groups across the state to assess needs related to home and community-based services for people with disabilities
- Obtained a \$900,000 Real Choices Systems Change grant to support the efforts of the Governor's commission
- Continued to strengthen home and community-based care for people with disabilities, while retaining specialized safety net inpatient services at the State Hospital and the Developmental Center for individuals whose needs exceed community resources
- Experienced decreases in admissions to the State Hospital and reductions in the average daily census and average inpatient days, while shifting some resources to the regional human service centers, which provide many community-based treatment services
- Sustained 98.9 percent of the adults receiving developmental disability case management services in community-living situations

Used Technology To Help People With Disabilities Enter Or Remain In The Workforce

- Established assistive technology labs in Bismarck and Fargo to provide vocational rehabilitation clients and employers access to devices that could enhance work productivity and opportunities for people with disabilities
- Enabled employers to utilize the labs to explore options for injury prevention, especially repetitive strain injuries and workplace accommodations

Assisted People With Disabilities To Become Employed

- Assisted 1,759 people with disabilities to become employed from the beginning of the 2002 federal fiscal year to the end of the 2003 federal fiscal year by providing vocational rehabilitation (VR) training and related services
- Achieved a \$2.46 return on every dollar invested in VR services as clients became employed and paid taxes
- Achieved a 91 percent employment retention rate for VR clients (measures employment status nine months after becoming employed)
- Conducted outreach to several thousand employers educating them about VR services

Promoted Family Self-Sufficiency

- Received a \$1.28 million federal Temporary Assistance for Needy Families (TANF) program high performance bonus for placing adults from low-income families into jobs and for linking families with supportive services in 2000 and 2001
- Collaborated with county social service offices, the department's human service centers, Job Service North Dakota, and other local entities to help families transition from assistance to employment more quickly in five pilot sites across the state

Pilots:

- Linked people up with work readiness programming at the time they sought TANF assistance
- Provided support through either paid staff or mentors
- Provided treatment services, if appropriate
- Reported increased household earnings and reduced TANF program recidivism rates among participating families (This was significant because welfare reform created a 60-month lifetime limit on TANF benefits.)

Received Recognition For Food Stamp Program Performance

- Earned USDA recognition for providing accurate food stamp benefits to low-income individuals and families
 - Achieved a 6.14 percent error rate in 2002 compared to the national average of 8.26 percent
 - Recognized for achieving a low error rate for the 5th consecutive year
 - Ranked 13th in the nation in claims establishment and collection management

Field Services

Includes direct services to North Dakotan's through:

Human Service Centers

- NWHSC - Williston, N.D.
- NCHSC - Minot, N.D.
- LRHSC - Devils Lake, N.D.
- NEHSC - Grand Forks, N.D.
- SEHSC - Fargo, N.D.
- SCHSC - Jamestown, N.D.
- WCHSC - Bismarck, N.D.
- BLHSC - Dickinson, N.D.

State Hospital - Jamestown, N.D.

Developmental Center - Grafton, N.D.

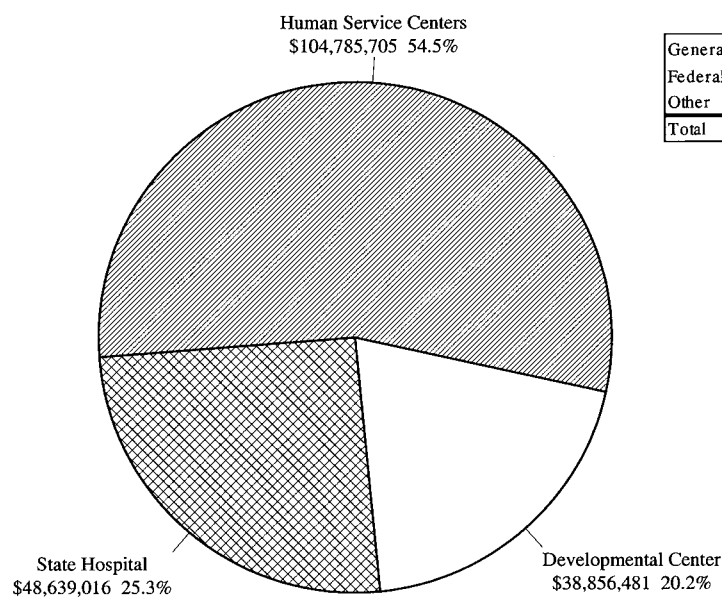


Human Service Centers

The Department of Human Services' eight regional human service centers serve as important safety nets for people coping with emotional problems, mental illnesses, chemical dependencies, disabilities, or other issues. The centers provide community-based services on a sliding fee scale either directly or through partnerships with private providers.

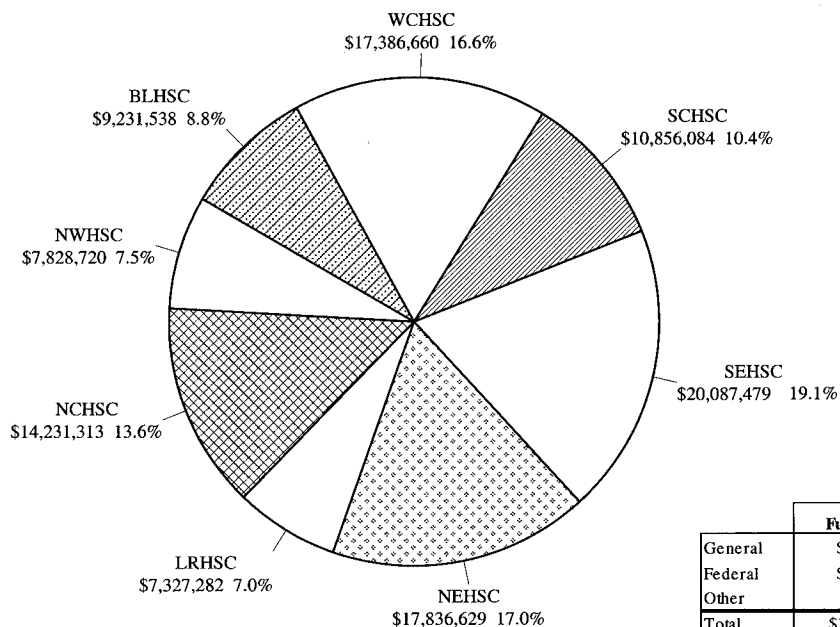
The state continued to experience growth in community-based services. Efforts to build local capacity have been enhanced by close cooperation and collaboration with the State Hospital, the Developmental Center, and other local partners and providers.

Field Service Expenditures 2001-2003 Biennium



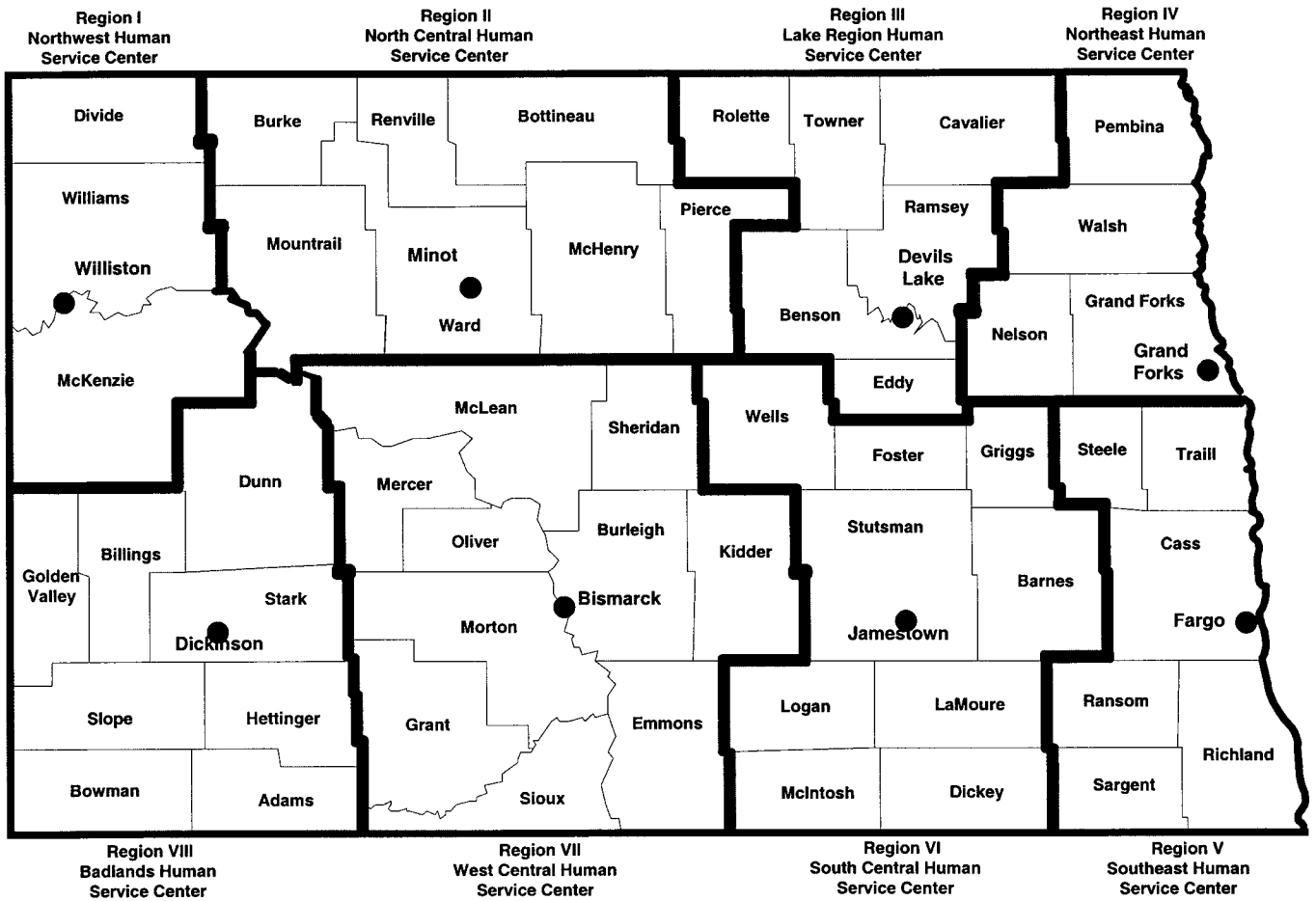
	Funding	Percent
General	\$92,811,221	48.3%
Federal	\$79,018,293	41.1%
Other	\$20,451,688	10.6%
Total	\$192,281,202	100.0%

Human Service Center Expenditures 2001-2003 Biennium



	Funding	Percent
General	\$48,982,410	46.7%
Federal	\$47,546,630	45.4%
Other	\$8,256,665	7.9%
Total	\$104,785,705	100.0%

Regional Human Service Centers



**SUMMARY OF CORE SERVICES
DEPARTMENT OF HUMAN SERVICES
REGIONAL HUMAN SERVICE CENTERS**

Aging Services

- Aging services administration
- Vulnerable adult protective services
- Long-term care ombudsman program
- Adult family foster care licensure

Developmental Disabilities

- Case management
- Day supports (Southeast)
- Extended services (Northwest and Badlands)
- Infant development (Northwest, Northeast, Southeast, South Central)

Vocational Rehabilitation

- Assessment for eligibility and rehabilitation needs
- Counseling and guidance
- Information and referral
- Job related services
- Vision services
- Supported employment services (Badlands and Northwest)
- Rehabilitation technology services (Badlands and West Central)
- Business services including ADA consultation and assessment

Child Welfare Services

- Program supervision – regional reps and child care licensing specialists
- Parental capacity evaluation
- Foster parent support services
- Acute clinical services (as deemed clinically appropriate)

Children's Mental Health

- Level I Criteria
 - o Care coordination
 - o Acute clinical services (as deemed appropriate)
- Level II Criteria
 - o Care coordination
 - o Case aide services
 - o Crisis residential/safe beds
 - o Flexible funding
 - o Acute clinical services (as deemed appropriate)

Serious Mental Illness (Extended Care Coordination)

- Care coordination
- Case aide services
- Needs-based array of residential services
- Community support services
- Medical management
- Acute clinical services (as deemed clinically appropriate)

Acute Clinical Services

- Core populations
 - Self harm/suicide
 - Child abuse and neglect
 - Foster care/subsidized adoption
 - Acute psychiatric
- Services
 - Psychological evaluation and testing
 - Psychiatric evaluation
 - Clinical evaluation
 - Individual therapy
 - Group therapy
 - Family therapy
 - Clinical case management
 - Medication management
 - Crisis residential
 - Short-term hospital
 - Lab and clinical screening

Substance Abuse Services

- Care coordination/case aide
- Evaluation
- Social and medical detoxification services
- Needs-based array of primary treatment services
 - Low intensity outpatient
 - Intensive outpatient
 - Day treatment
- Needs validated residential services
- Medication/medical monitoring/management

Crisis/Emergency Response Services

- Crisis call response (24-hour/7 days a week from a designated, trained employee)
- Regional intervention services
 - Screening
 - Gatekeeping/referral

State Hospital

The State Hospital provides specialized inpatient psychiatric and chemical dependency treatment services for individuals whose needs exceed the capacity and resources of their communities. The hospital works with the human service centers and other providers to assure admissions are appropriate and that discharge plans enable people to manage their illnesses and live productively in their communities.

Inpatient services are provided to stabilize each patient's condition and to begin the rehabilitation process. The goal of all treatment is to make it possible for an individual to return to his or her respective community.

Lengths of stay vary from 72 hours to several weeks. Treatment may be extended to meet the needs of individual patients. Discharge planning is an active part of the treatment process.

The hospital also provides a legislatively mandated sexual offender evaluation and treatment program, and addiction treatment services for adult offenders under contract with the Department of Corrections and Rehabilitation.

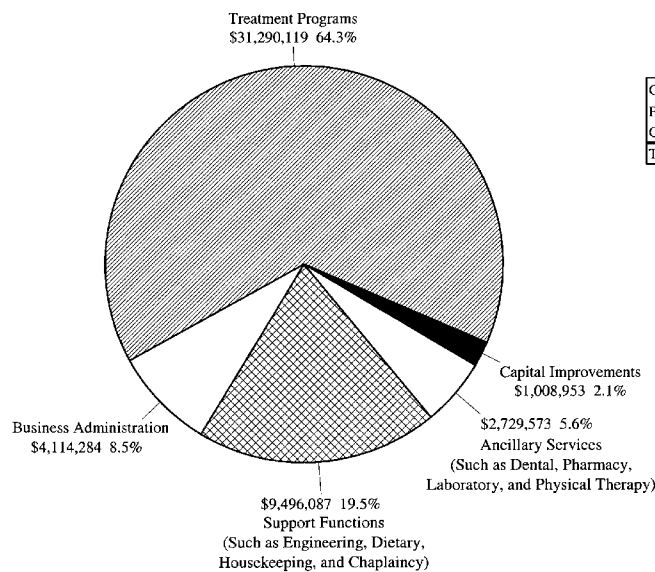
The State Hospital:

- Is Medicare certified
- Had an average daily census of 125 patients in traditional services and 85 in contracted services

State Hospital Expenditures 2001-2003 Biennium

Clinical Services:

- **Adult Psychiatric Services**, which include acute, intermediate and long-term psychiatric inpatient services, and a transitional living/outpatient residential program
- **Chemical Dependency Services**, including diagnosis, treatment, and initiation of recovery for patients who are alcohol and/or drug dependent or have a dual diagnosis of chemical dependency and mental illness
- **Child and Adolescent Services**, which provide treatment for psychiatric and/or substance abuse problems



	Funding	Percent
General	\$33,171,888	68.2%
Federal	\$5,630,865	11.6%
Other	\$9,836,263	20.2%
Total	\$48,639,016	100.0%

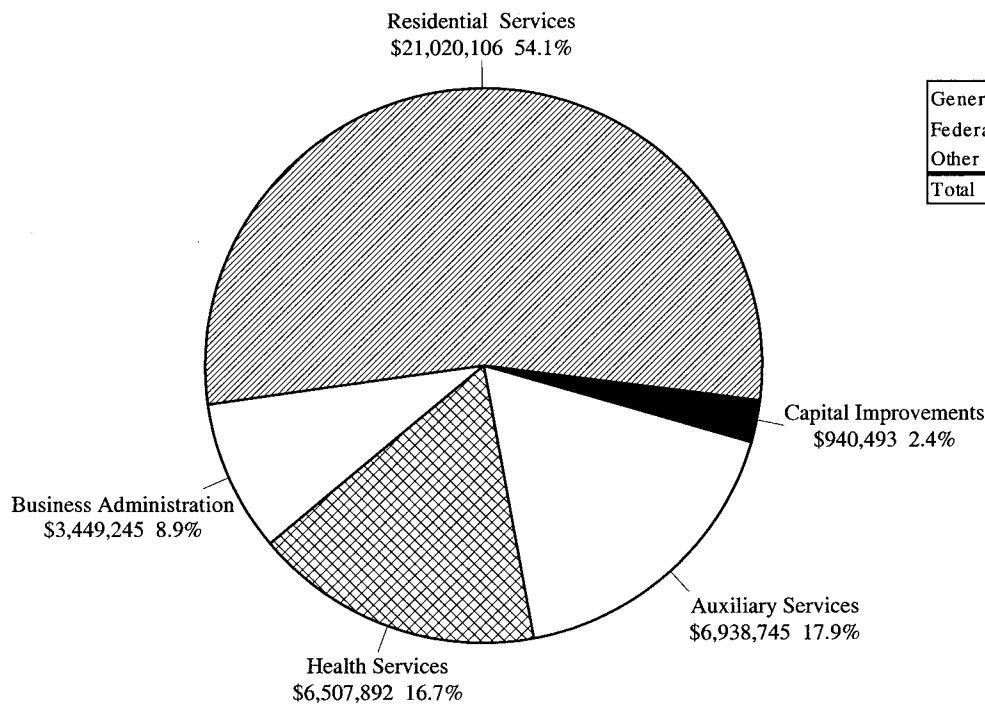
Hospital Admissions
 ~ FY 2002 = 838
 ~ FY 2003 = 714

Developmental Center

The Developmental Center, which is certified as an Intermediate Care Facility for people with developmental disabilities, serves as a safety net. The center provides specialized services for people with developmental disabilities whose needs, due to behavioral issues or medical conditions, cannot be addressed adequately in the community setting. Referrals are made through the developmental disabilities case management system at the regional human service centers.

The facility's patient census data reflects the shift toward community-based services and the staff's ongoing commitment to assist people with developmental disabilities to achieve personal goals such as employment and community involvement. The facility's census has fallen from a peak of 1,200 people in 1965 to 150 people as of 2001.

Developmental Center Expenditures 2001-2003 Biennium



	Funding	Percent
General	\$10,656,923	27.4%
Federal	\$25,840,798	66.5%
Other	\$2,358,760	6.1%
Total	\$38,856,481	100.0%

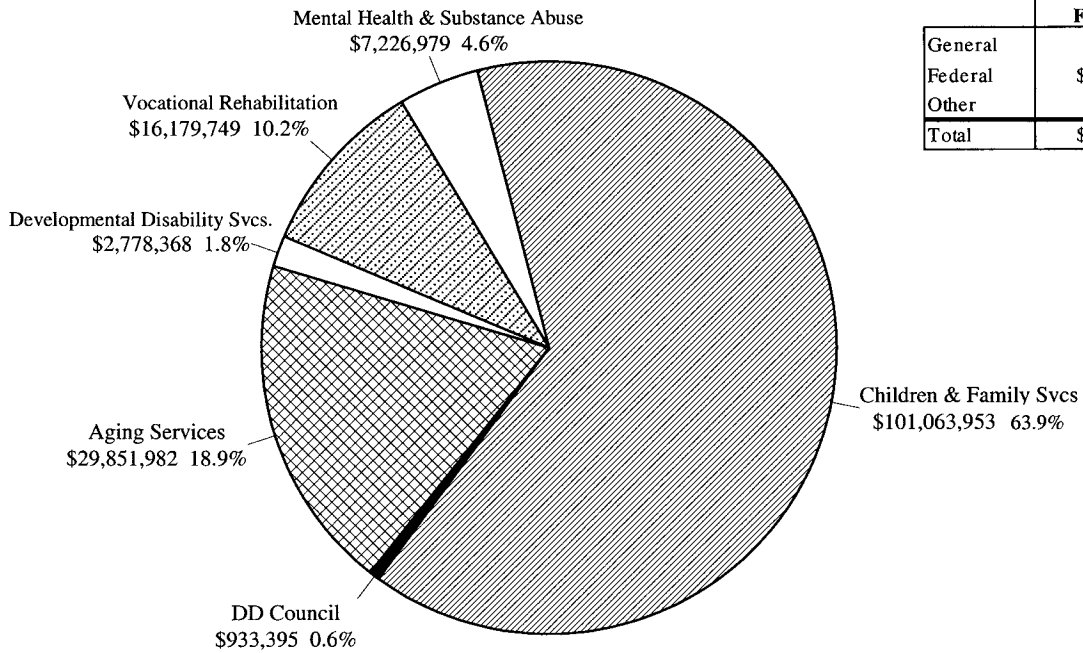
Program and Policy Divisions

Includes:

- Aging Services Division
- Children and Family Services Division
- Disability Services Division
- Division of Mental Health and Substance Abuse Services



Program and Policy Divisions Expenditures 2001-2003 Biennium



	Funding	Percent
General	\$29,533,915	18.7%
Federal	\$108,612,303	68.7%
Other	\$19,888,208	12.6%
Total	\$158,034,426	100.0%

Aging Services Division

The Aging Services Division administers programs and services for older individuals and persons with physical disabilities to help them maintain an independent lifestyle by remaining in their own homes and communities and delaying or preventing institutional care.

Services Include:

- Adaptive equipment assessment
- Adult day care
- Adult family foster care
- Case management for home and community-based services
- Chore services
- Congregate and home-delivered meals
- Emergency response system
- Family home care
- Health maintenance
- Homemaker services
- Information and assistance
- Injury prevention services
- Legal services
- National Family Caregiver program support services
- Non-medical transportation
- Ombudsman services
- Outreach services
- Personal care services
- Respite care
- Senior Companion services
- Transportation
- Vulnerable Adult Protective services

Services are provided statewide through contracts with non-profit entities, local and tribal governments, and through independent contractor and agency providers enrolled as qualified service providers. Department staff provide the Long-Term Care Ombudsman Program services. Aging Services operates the Senior Information and Assistance Line and Web site.

Children and Family Services Division

The Children and Family Services Division provides leadership and promotes collaboration and coordination in the delivery of child welfare services and refugee assistance services. Division staff are responsible for program development, supervision, and technical assistance.

Services Include:

- Adoption (recruitment, assessment, placement, follow-up, post-finalization, adoption subsidy, birth family services, adoption search, child placing agency licensure, and the Interstate Compact on Placement of Children for Adoptions)
- Child Protection (assessments, case management, child fatality review panel, children's trust fund, child abuse and neglect prevention, and institutional child protection services)
- Early Childhood Program (standards, provider training, licensing, child care resource and referral, tribal consult, and Head Start)
- Family Preservation Services (parent aide, prime time child care services, intensive in-home, respite care, family-focused care, and safety/permanency funds)
- Foster Care (licensing, eligibility determination and payment, case planning and reviews, subsidized guardianship, Interstate Compact on the Placement of Children, independent living skills assessment, training, and stipends)
- Refugee Resettlement (employment, case management, English as a second language, vocational training and education, cash assistance, and medical assistance)

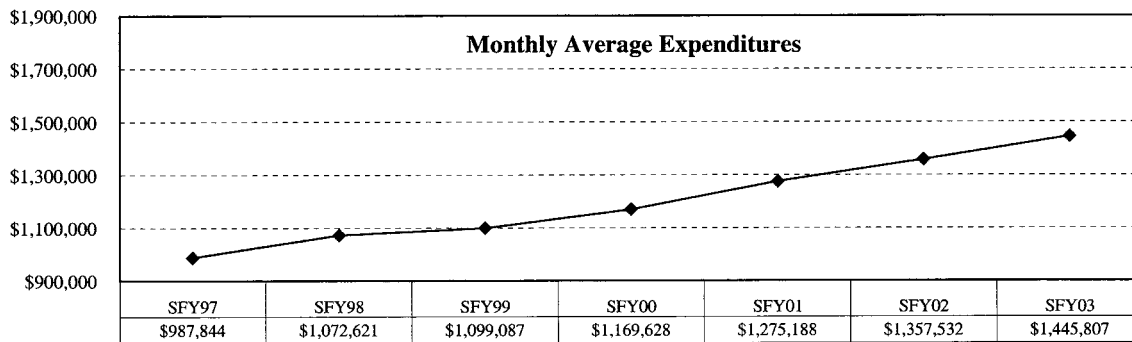
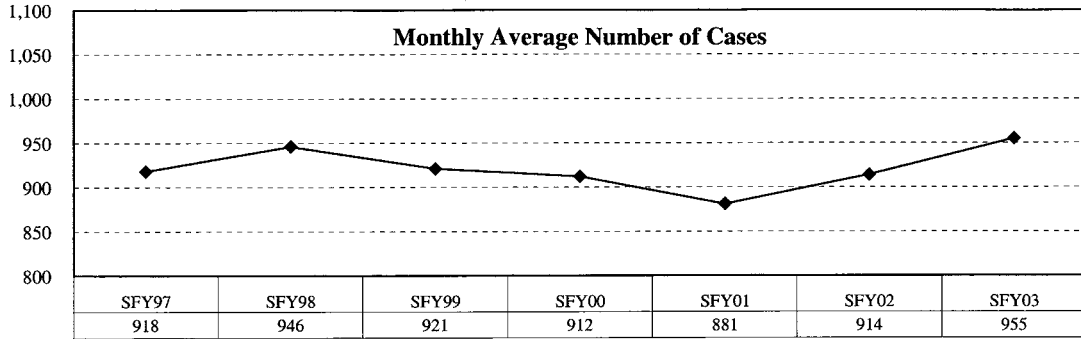
Public child welfare services are provided by the 53 county social service boards, tribal governments, and the department's eight regional human service centers. The division contracts with private providers for some services.

FOSTER CARE PLACEMENTS	Avg cost 2001-2003 biennium
<i>Average monthly cost foster care family home</i>	\$647.56
<i>Average monthly cost therapeutic family foster care home</i>	\$2,864.37
<i>Average monthly cost foster care facilities</i>	\$8,107.03

North Dakota Department of Human Services

Foster Care

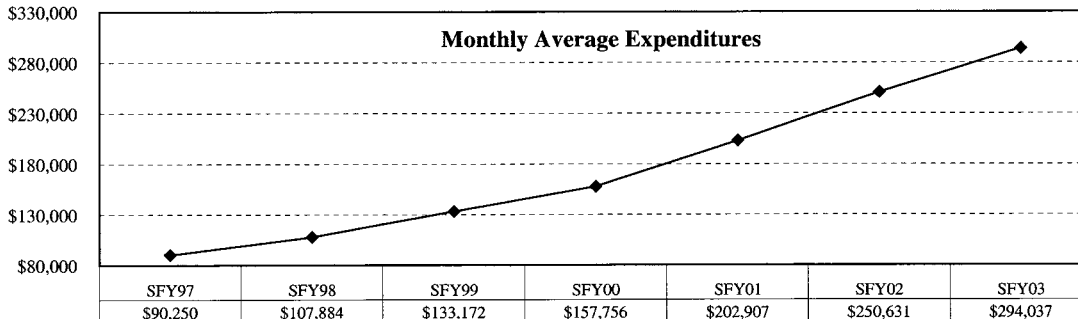
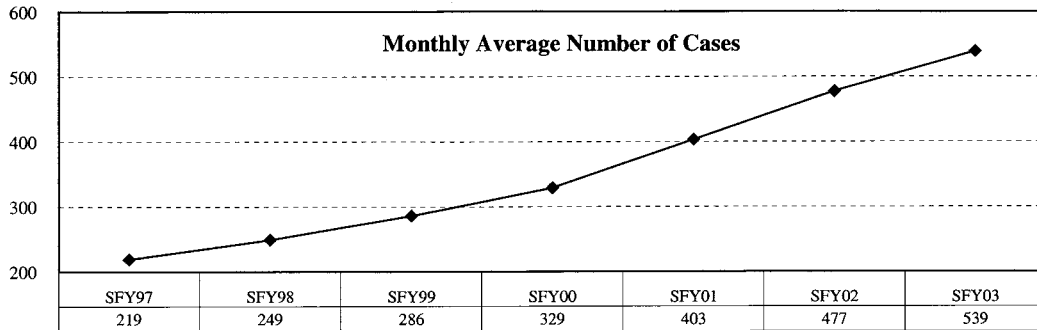
Monthly Average Number of Cases and Expenditures by State Fiscal Year



North Dakota Department of Human Services

Subsidized Adoption

Monthly Average Number of Cases and Expenditures by State Fiscal Year



Disability Services Division

The Disability Services Division assists individuals with disabilities to live safely and productively in the most independent manner possible, and to attain employment, if appropriate. The division is responsible for both Vocational Rehabilitation (VR) and Developmental Disabilities (DD) units.

The DD unit administers the statewide community-based delivery system for people of all ages who have developmental disabilities. Services are provided through the regional human service centers and through contracts and purchase of service agreements with non-profit and for-profit organizations.

Vocational Rehabilitation services complement other workforce development efforts and are targeted to serve the almost 59,000 North Dakotans with disabilities who are of working age.

Developmental Disability Services Include:

- Day and residential services (training and assistance with daily living activities)
- Family support programs (providing personal and financial assistance and training to families of eligible individuals)
- DD case management

Vocational Rehabilitation Services Include:

- Employment and training
- Business services and ADA consultations
- Interagency Program for Assistive Technology (IPAT)
- Independent living
- Services to the visually impaired and older blind
- Disability determination services

Division of Mental Health and Substance Abuse Services

The Division of Mental Health and Substance Abuse Services provides leadership in setting direction and policy for mental health and substance abuse treatment services. The division collaborates with the human service centers, the State Hospital, and other providers to assure services can be provided in the least restrictive, appropriate setting.

Services Include:

- Planning, research, and education
- Grant writing
- Policy development and implementation
- Residential treatment center licensure
- Alcohol and drug treatment program licensure

Economic Assistance Divisions

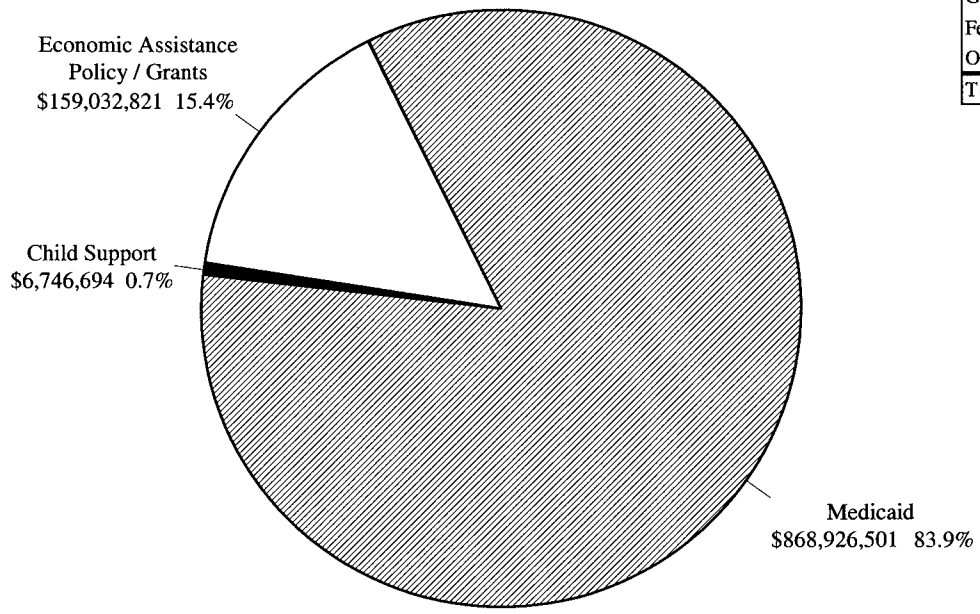
Includes:

- Child Support Enforcement Division
- Economic Assistance Policy/Grants Division
- Medical Services Division



Economic Assistance Divisions Expenditures 2001-2003 Biennium

	Funding	Percent
General	\$229,103,954	22.1%
Federal	\$731,368,058	70.7%
Other	\$74,234,004	7.2%
Total	\$1,034,706,016	100.0%



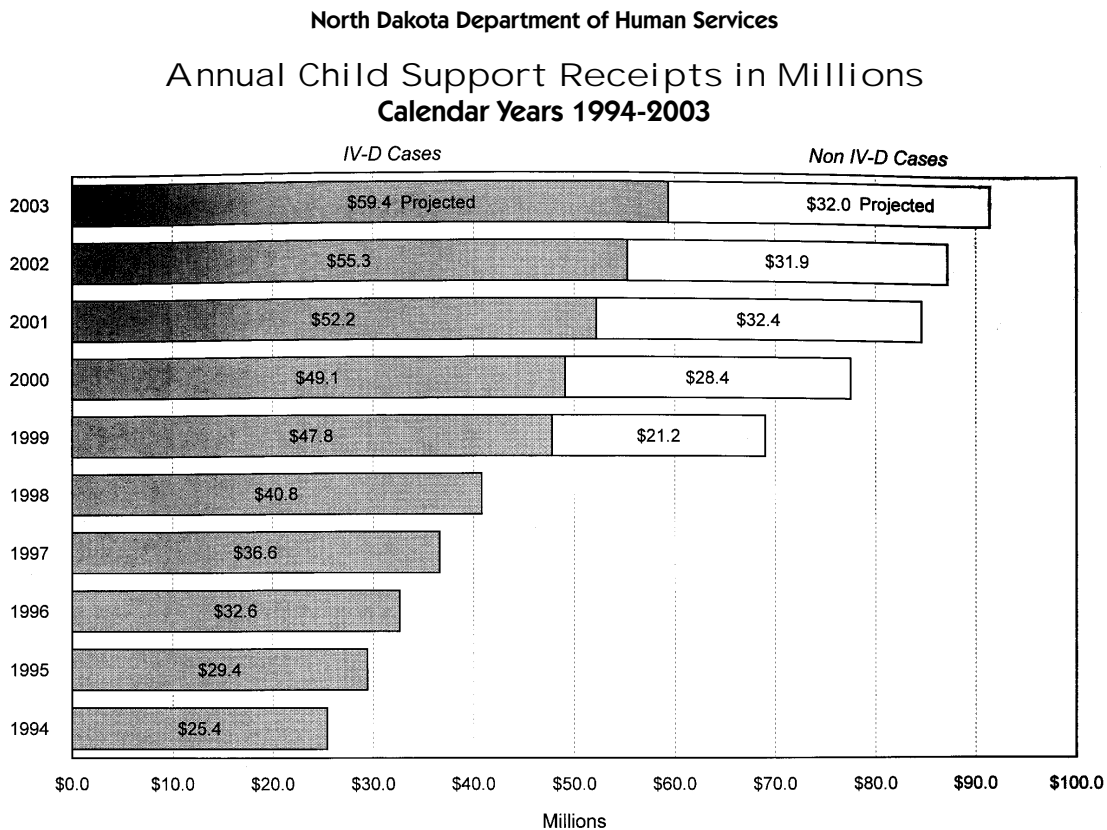
Child Support Enforcement Division

The Child Support Enforcement Division works to secure financial support from legally responsible parents so that families and children receive that support, and so that the demand on public treasuries is reduced. Enforcement efforts involve the state, county, and federal governments.

State Office Roles/Services Include:

- Supervision of child support enforcement efforts
- Policy issuance and interpretation
- Issuing income withholding orders on nonIV-D cases
- New hire reporting
- Parent locate
- Financial institution data match
- Passport denial
- Tax refund intercepts
- Credit reporting
- Receiving and disbursing child support payments through the State Disbursement Unit
- Federal case registry

Child support enforcement services are also provided by eight county-operated regional child support enforcement units.



**North Dakota Department of Human Services
Child Support Enforcement
Expenditures
2001-2003 Biennium**

	Funding	Percent
General	\$158,233	2.3%
Federal	\$3,418,099	50.7%
Other	\$3,170,362	47.0%
Total	\$6,746,694	100.0%

**Collections from Obligors
Paid to Families**
(Continuing Appropriation**)
\$161,010,020 96.0%

* Fully Automated Child Support Enforcement System

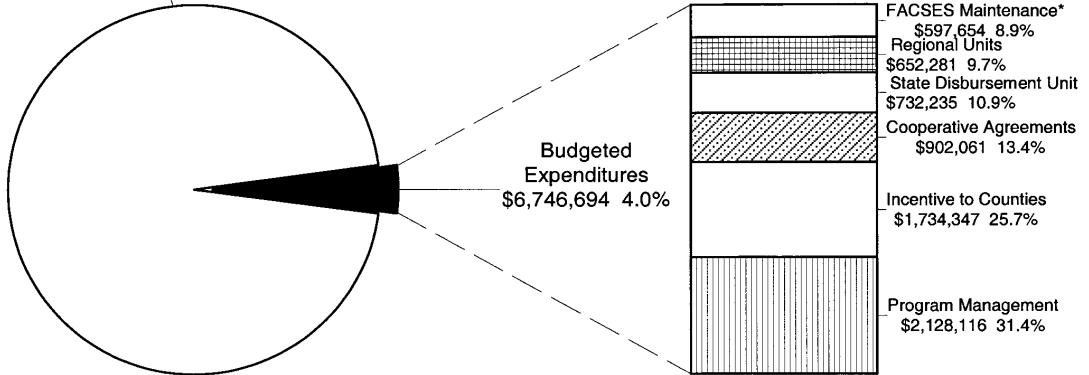
** NDCC 14-09-25 provides a continuing appropriation for child support paid to families.

NOTE: The State Disbursement Unit collected \$174.7 million during the 2001-2003 biennium. These collections were used as follows:

\$161.0 million Grants Paid to Families

\$6.4 million retained by the State to offset grant expenditures

\$7.3 million credited to the Federal Government



Regional Child Support Enforcement Unit Services:

- Establishment of paternity
- Establishment and enforcement of court orders for child support and medical support
- Review and adjustment of court orders

Medical Services Division

The Medical Services Division works to ensure the delivery of medical services in the most efficient and economical manner so that health coverage program participants can improve or maintain their health.

During the biennium, an average of 52,054 North Dakotans had health coverage through either the North Dakota Medicaid Program or the Healthy Steps Children's Health Insurance Program, which the division administers.

Services Include:

- Medicaid claims processing
- Eligibility determination for the Healthy Steps Children's Health Insurance Program
- Outreach to promote enrollment in Medicaid and Healthy Steps
- Health Tracks program administration (also known as the Early and Periodic Screening, Diagnosis and Treatment program or EPSDT, which provides services through a network of providers to maintain the health of qualifying children)
- Provider relations services (assisting over 3,000 providers to understand coverage programs and to bill appropriately for services)
- Utilization review (monitoring to ensure coverage program participants receive appropriate and cost-effective care)
- Administration of the Medicaid Managed Care program in Grand Forks County and the state-wide primary care provider program (ensuring that participating customers have a 'medical home' and receive appropriate cost-effective medical services)
- Administration of the Aid to Blind Remedial program (helping low-income people who are ineligible for regular Medicaid)
- Medical review team (to determine incapacity/disability for TANF/Medicaid)

County social service offices determine eligibility for the Medicaid health coverage program. Noridian Mutual Insurance Company provides coverage for the state children's health insurance program, Healthy Steps, through a contract with the state.

Services Provided or Paid For:

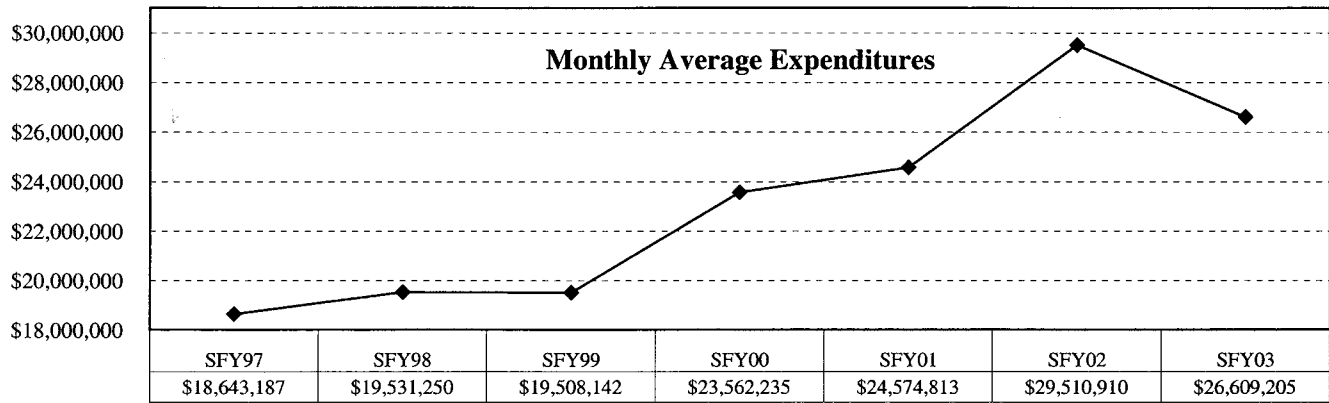
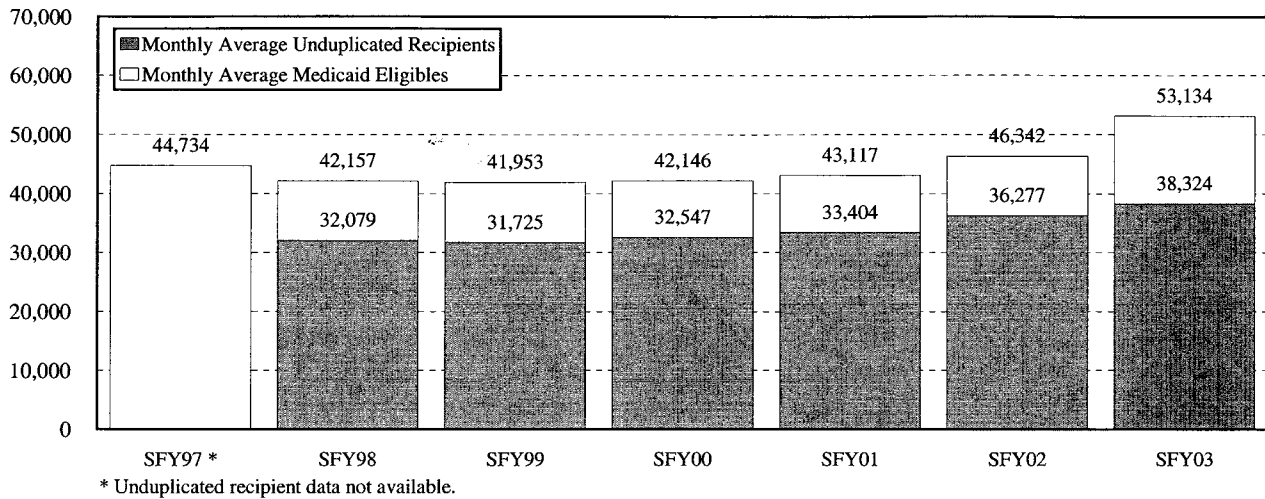
- Pediatric specialty care (for the diagnosis and treatment of eligible medical conditions)
- Multidisciplinary clinics (for certain conditions that should be managed by a pediatric specialist or a team of providers)
- Care coordination services (to ensure access to services often needed by children and families)

The division also promotes improvements in the healthcare system through needs assessments and planning, performance monitoring, public information services, training, and collaboration activities.

A network of public and private providers including medical specialists and related health professionals, county social service board staff, and public health nurses provides services.

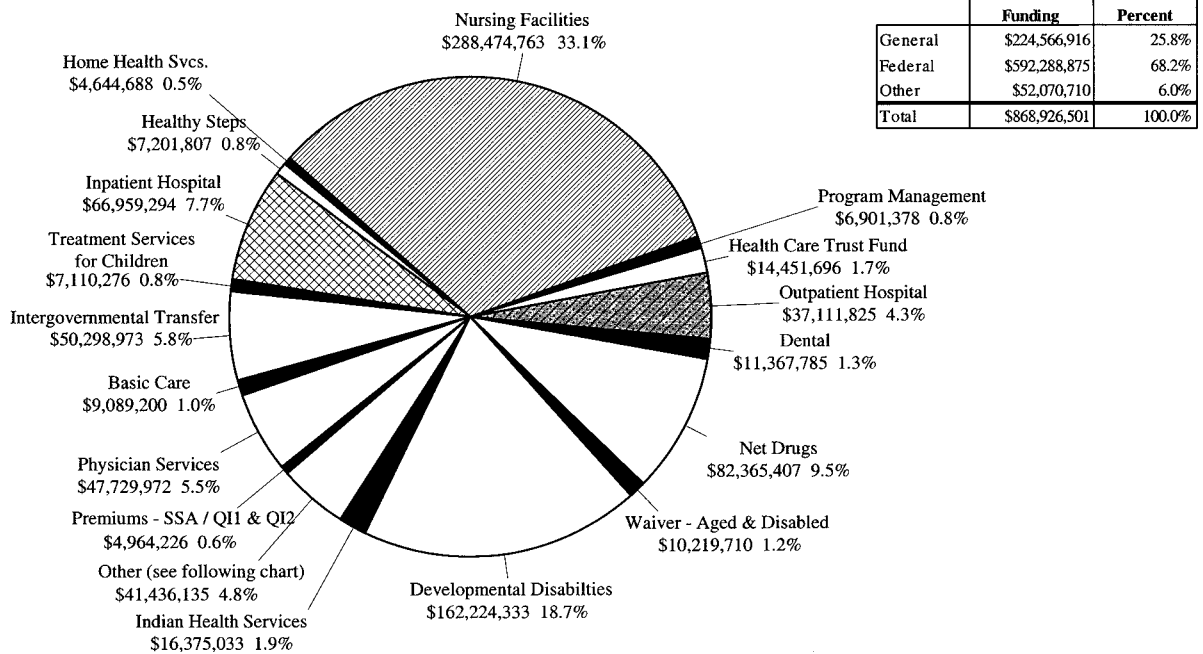
North Dakota Department of Human Services Medicaid

Monthly Average Number of Eligibles, Recipients, and Expenditures by State Fiscal Year



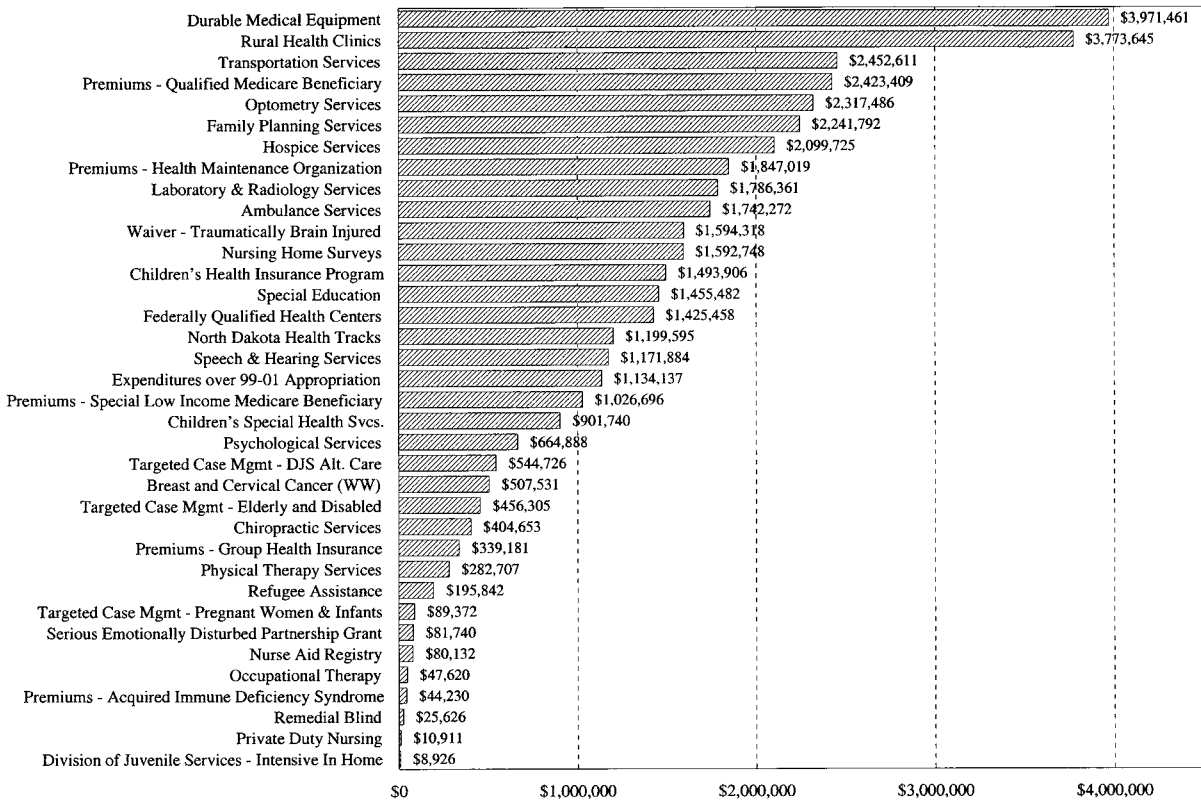
FA-12/30/03-cj-hgw/0001-2003 biennium report/sfy 97-03

Medical Services Expenditures 2001-2003 Biennium



	Funding	Percent
General	\$224,566,916	25.8%
Federal	\$592,288,875	68.2%
Other	\$52,070,710	6.0%
Total	\$868,926,501	100.0%

Total of "Other" Expenditures (\$41,436,135) Medicaid Division (Including DD Grants) 2001-2003 Biennium



Economic Assistance Policy/Grants Division

The Economic Assistance Policy Division administers economic assistance programs to help qualifying low-income people meet their basic needs. The division administers Temporary Assistance for Needy Families (TANF), Job Opportunities and Basic Skills program (JOBS), Child Care Assistance (CCA), Food Stamps, and Low Income Home Energy Assistance (LIHEAP).

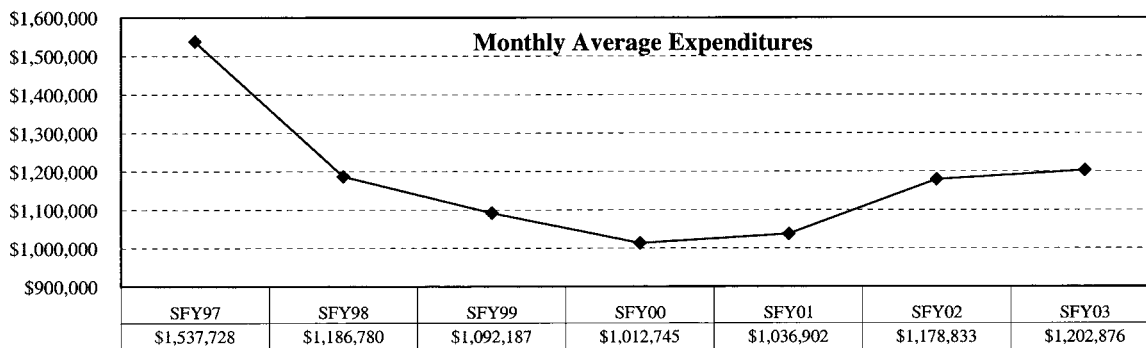
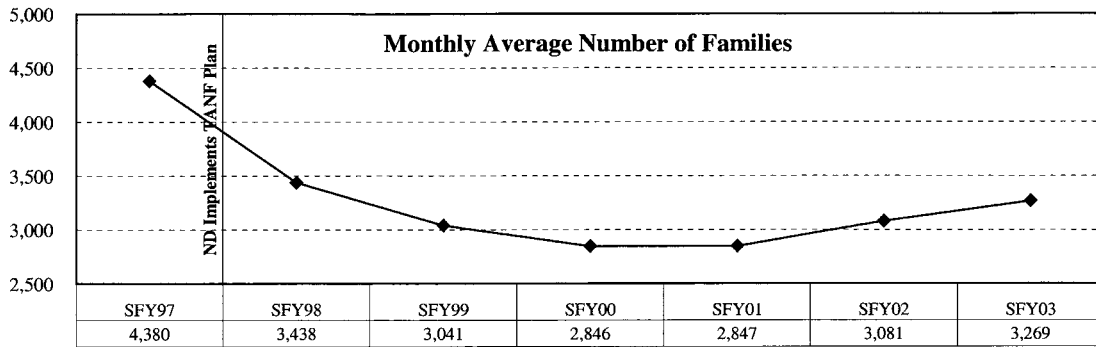
The division is also responsible for eligibility policy for Medicaid, Healthy Steps, and Basic Care Assistance. The division directs and supervises local administration of all these programs, primarily through county social service offices.

Services and Operations Include:

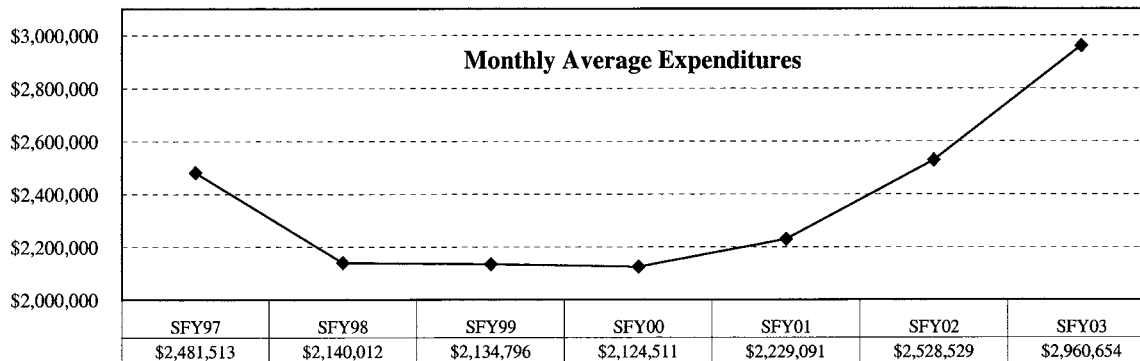
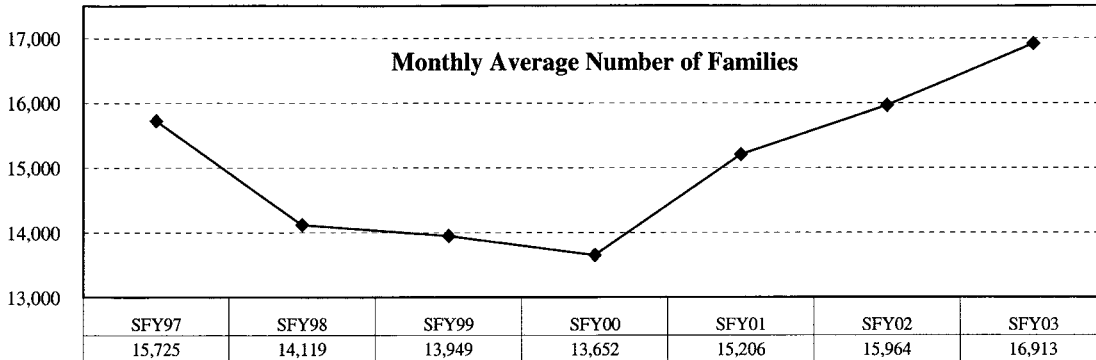
- Policy development, issuance, and interpretation (for all administered programs)
- Training, directing, and supervising County Social Services staff (who are responsible for local administration of Basic Care, CCA, Food Stamps, LIHEAP, Medicaid, and TANF)
- Operation of four electronic benefit systems used in local administration of programs
- Cash assistance to eligible TANF families
- Through JOBS, securing services such as assessment, training and education, job placement, and support to help families receiving TANF benefits to become self sufficient
- Through CCA, paying child care providers on behalf of eligible families and approving some qualified child care providers to receive payment
- Through Medicaid, establishing eligibility for payment to health care providers on behalf of individuals and families with medical needs
- Through Healthy Steps, establishing eligibility for children to acquire health care coverage
- Through Basic Care Assistance, establishing eligibility for payment to licensed basic care facilities on behalf of individuals who require services
- Through Food Stamps, providing benefits to eligible individuals and families using an Electronic Benefits Transfer card
- Through Extension Services, providing nutrition education
- Through LIHEAP, providing partial payments to fuel vendors on behalf of eligible individuals and families
- Through the Division of Community Services, providing assistance to households in energy-related crises and home weatherization services to conserve energy

County social service board employees determine eligibility for these economic assistance programs.

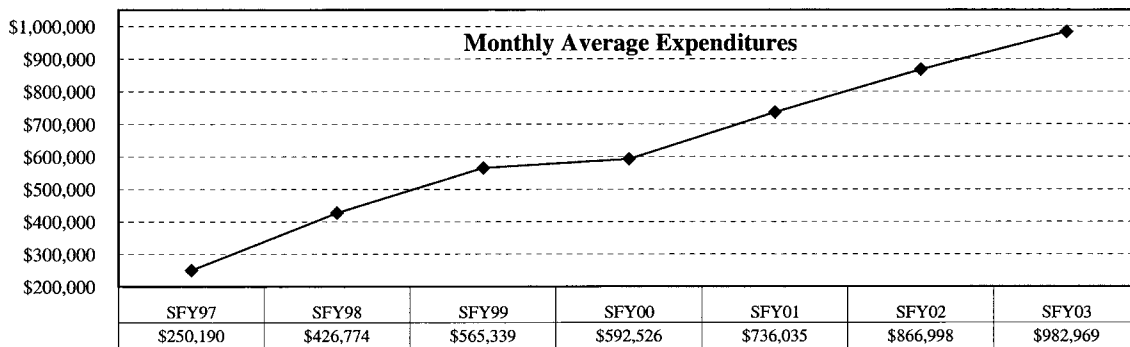
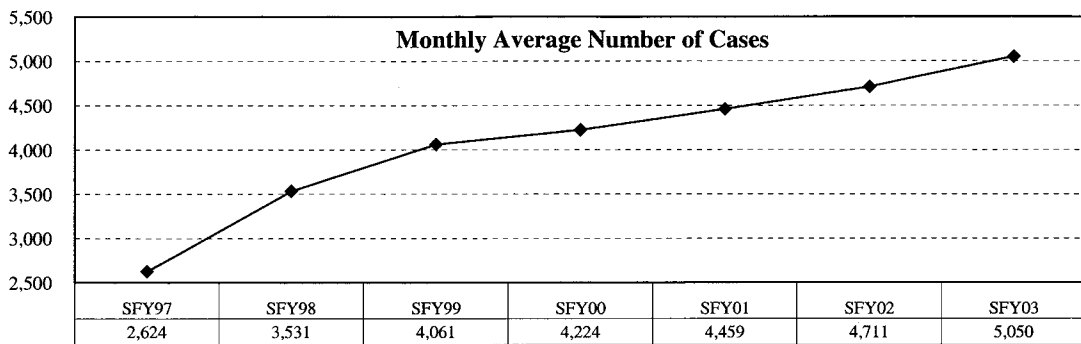
North Dakota Department of Human Services
Temporary Assistance for Needy Families (TANF)
Monthly Average Number of Cases and Expenditures by State Fiscal Year



North Dakota Department of Human Services
Food Stamps
Monthly Average Number of Families and Expenditures by State Fiscal Year



North Dakota Department of Human Services
Child Care Assistance
Monthly Average Cases and Expenditures by State Fiscal Year



Appendices

North Dakota Department of Human Services
Expenditures By Subdivision And Line Item With Funding Sources
2001-2003 Biennium

Subdivision	10	30	40	50 & 51	60, 72 & 73	70	71	75	79	Totals	81	82	83
	Salary	Operating	Equipment	Capital Improvements	Grants	HSCs & Institutions	Loan Fund - DD	Hlth Care Trst Fnd	HIPAA	Totals	General	Federal	Other
100-01 EXECUTIVE OFFICE	1,442,063	71,215								1,513,278	1,109,991	394,264	9,023
100-10 MANAGERIAL SUPPORT	5,774,365	5,211,673					2,077,969			13,064,007	4,904,091	5,061,982	3,097,934
100-20 INFORMATIONAL MANAGEMENT DIVISION	3,990,263	26,019,514	801,161	1,308					5,672,473	36,484,719	11,308,055	19,136,715	6,039,949
100 MANAGEMENT Total	11,206,691	31,302,402	801,161	1,308			2,077,969		5,672,473	51,062,004	17,322,137	24,592,961	9,146,906
200-01 ECONOMIC ASSISTANCE POLICY / GRANTS	4,276,559	8,677,980		2,097	146,076,205					159,032,821	4,378,805	135,661,084	18,992,932
200-02 CHILD SUPPORT	2,788,307	2,219,612	4,428		1,734,347					6,746,694	158,233	3,418,098	3,170,362
200-03 MEDICAL SERVICES	4,249,390	2,389,476	964		847,573,427			14,703,244		868,926,501	224,566,916	592,286,875	52,070,710
200 ECONOMIC ASSISTANCE Total	11,314,256	13,297,048	5,392	2,097	995,383,979			14,703,244		1,034,706,016	229,103,954	791,368,058	74,234,004
300-42 DD COUNCIL	120,796	36,965			775,634					933,395		933,395	
300-43 AGING SERVICES	1,447,087	1,226,637		789	27,177,469					29,851,982	10,763,440	11,140,898	7,947,644
300-46 CHILDREN & FAMILY SERVICES	1,751,505	1,492,561			97,819,887					101,063,953	13,568,973	75,918,620	11,576,360
300-47 MENTAL HEALTH & SUBSTANCE ABUSE	1,211,848	3,867,197			2,147,934					7,226,979	1,101,808	5,970,232	154,939
300-48 DEVELOPMENTAL DISABILITIES	877,372	1,371,245			529,751					2,778,368	1,348,216	1,430,152	
300-51 VOCATIONAL REHABILITATION	3,758,907	1,382,392	19,124		11,039,326					16,179,749	2,751,478	13,219,006	209,265
300 PROGRAM & POLICY Total	9,167,515	9,356,997	19,124	789	139,490,001					158,034,426	29,533,915	106,612,303	19,888,208
4-01 NORTHWEST HSC						7,828,720				7,828,720	3,825,666	3,427,114	575,940
4-02 NORTH CENTRAL HSC						14,231,313				14,231,313	7,908,492	5,341,645	981,179
4-03 LAKE REGION HSC						7,327,282				7,327,282	4,195,375	2,563,294	568,613
4-04 NORTHEAST HSC						17,896,629				17,896,629	6,711,490	9,874,889	1,450,250
4-05 SOUTHEAST HSC				580,639		19,506,840				20,087,479	8,597,772	10,249,634	1,240,073
4-06 SOUTH CENTRAL HSC						10,856,084				10,856,084	5,212,982	4,623,116	1,019,986
4-07 WEST CENTRAL HSC						17,396,660				17,396,660	8,179,525	7,983,859	1,223,276
4-08 BADLANDS HSC						9,231,538				9,231,538	4,351,108	3,683,079	1,197,351
410 HUMAN SERVICE CENTERS Total				580,639		104,205,066				104,785,705	48,982,410	47,546,630	8,256,665
4-20 STATE HOSPITAL				1,008,953		47,630,063				48,639,016	33,171,888	5,630,865	9,836,263
4-30 DEVELOPMENTAL CENTER				940,493		37,915,988				38,856,481	10,656,923	25,840,798	2,358,760
4xx INSTITUTIONS Total				1,949,446		85,546,051				87,495,497	43,828,811	31,471,663	12,195,023
Grand Total	31,688,462	53,956,447	825,677	2,534,279	1,134,873,980	189,751,117	2,077,969	14,703,244	5,672,473	1,436,083,648	368,771,227	943,591,615	123,720,806

**North Dakota Department of Human Services
Administrative Costs
2001-2003 Biennium**

DEPARTMENT-WIDE

Administration / Support	12,499,316
Division of Information Technology	36,484,719
Economic Assistance	14,618,500
Program and Policy	11,402,075
Human Service Centers	14,368,611
Institutions	7,563,529
Total	96,936,750

Percentage of Budget for Administration

6.75%

2003 Legislative Summary
Legislation passed by the 2003 N.D. Legislature relating to human services

NOTE:

This list may not be inclusive of all bills passed during the 2003 Legislative Session that relate to Department of Human Services' programs and services.

** Denotes legislation proposed by the Department of Human Services or the Office of Management and Budget*

HB 1035 – Revisions to the uniform adoption code

- Enhances openness in the adoption process (disclosure, fees)

HB 1036 – Child relinquishment to identified adoptive parents

- Extends the time period that a family has to file a petition to adopt from three to six months making Century Code consistent
- Contains language describing reasonable adoption expenses

HB 1037 – Child-placing agency licensure appeals

- Defines child placement activities and allows only agencies licensed under the Century Code to place children with families for adoption
- Allows the Department of Human Services to extend licenses for a two-year period for child-placing agencies in good standing

***HB 1084 – Denial or revocation of foster care licenses**

- Clarifies the basis for foster care license denials

***HB 1085 – Reports of child abuse or neglect in licensing or registering child care providers**

- Cleaned up the language in statute to reflect current practices in child abuse and neglect services

***HB 1160 – Assisted living facilities and lodging establishments**

- Revises Century Code, Chapter 23, by changing the term “boarding house” to “assisted living” to enable some residents to access their long-term care insurance as a payment source for assisted living services
- Changes the definition of “long-term care facility” to include assisted living facility and deletes the terms “intermediate care facility” and “boarding house” from Century Code

***HB 1163 – Disclosure of health information for treatment of mental illness**

- Made the mental health commitment law compliant with the Health Insurance Portability and Accountability Act (HIPAA)
- Addressed requests for expert examiners, which courts and law enforcement utilize in cases involving mental health and substance abuse. The Department of Human Services has expert examiners available through the regional human service centers and the State Hospital.

***HB 1164 – Licensing of assisted living facilities**

- Requires assisted living facilities to be licensed (as opposed to registered)
- Creates a new Century Code chapter for assisted living
- Clarifies what health services an assisted living facility can offer in its menu of services in order to still be classified as an assisted living facility

***HB 1165 – Substance abuse treatment programs**

- Moves this chapter from the Department of Health to the Department of Human Services (DHS) to reflect the current licensure system (DHS licenses addiction treatment programs)

HB 1200 – Appropriation to DHS for nursing facility medical assistance payments

- Provides \$850,000 to cover the one percent allotment for nursing facilities that was authorized by Governor Hoeven due to the Medicaid revenue shortfall in the 2001-2003 biennium. The Department of Human Services did not implement the allotment for this provider group due to this pending legislation, which spared nursing homes from the across-the-board allotment imposed on other Medicaid providers.

HB 1228 – Moratorium on the expansion of residential treatment centers for children

- Continues the moratorium on expansion of residential treatment centers for children

HB 1243 – Lottery

- Authorizes the state to participate in a lottery
- Allows the Department of Human Services to deduct child support owed by a non-custodial parent before paying out his or her lottery prize if it totals more than \$600

HB 1249 – Early childhood services

- Requires the Department of Human Services to notify parents, guardians, or legal custodians of children if the Department revokes the license of the childcare facility/provider that they are using
- Requires licensed providers to notify parents and guardians within three business days if providers receive a correction order from the Department of Human Services
- Requires providers to post the correction notice until the violation has been corrected

HB 1399 – Pharmaceutical drug company access program

- Creates an information clearinghouse within the Insurance Commissioner's Office to link people who are having difficulty paying for prescriptions with pharmaceutical company access programs

HB 1400 – Moratorium on expansion of licensed basic care and long-term bed capacity, conversion of beds, and transfer of basic care beds

- Continues the moratorium on the expansion of nursing facility and basic care assistance beds in North Dakota through July 31, 2007
- Removes a requirement that facilities delicense two beds for every bed sold or transferred (This will help address excess capacity in some areas and shortages in others.)

HB 1430 – Prior authorization for Medicaid prescription drugs

- Authorizes the department to establish a prior authorization process for drugs paid for through the Medicaid Program
- Establishes in law the makeup of the Drug Utilization Review Board and establishes procedures to determine what drugs will require prior authorization

HB 1438 – HIPAA omnibus bill

- Revised state statute to comply with HIPAA requirements

HB 1469 – Eligibility for medical assistance

- Increases the requirements for long-term care insurance necessary to allow a Medicaid applicant to avoid the consequences of a disqualifying transfer
- Requires the Department of Human Services to seek to extend the look-back period for disqualifying transfers from the current 36-month period to 60 months in all cases (The Department is applying for a waiver from the Centers for Medicare and Medicaid Services to implement this change.)

***SB 2012 – Defraying the expenses of the Department of Human Services**

- Approves \$1.5 billion of which \$410.9 million is in state general funds for the Department of Human Services' 2003-2005 budget

***SB 2025 – Defraying medical assistance expenses of the Department of Human Services**

- Provides a \$15.45 million deficiency appropriation to the Department of Human Services in order to fund Medicaid services through the remainder of the 2001-2003 biennium

SB 2034 – Uniform parentage act

- Updates language in the law to change the term “natural parent” to “biological parent” when referring to a biological parent

SB 2036 – Definition of special needs for purposes of adoption subsidy

- Extends the definition of “special needs” to include children at high risk of physical, mental, or emotional disabilities in order to give adoptive families access to financial resources and supports to address the needs of children placed for adoption from the foster care system

***SB 2068 – Remedial eye care services coverage**

- Eliminates payments for transportation and lodging costs incurred by qualifying low-income, uninsured individuals seeking remedial eye care services under this program, which is intended to prevent blindness related to certain health conditions (The program serves people who do not qualify for Medicaid.)
- Changes the eligibility requirements to serve people between the ages of 18 and 65 (The program previously served people between the ages of 21 and 65.)

***SB 2069 – Provision of treatment services for children with serious emotional disorders**

- Allows the Department of Human Services to work with parents who have physical custody of children in order to provide out-of-home treatment services for children with serious emotional disorders

***SB 2070 – Interstate contracts for treatment of mental illness or chemical dependency**

- Allows North Dakota and neighboring states to contract with each other for mental health or chemical dependency services, if necessary, so that each state assumes responsibility for their own residents' mental health or substance abuse treatment if residents end up in treatment facilities located in neighboring states

***SB 2074 – Eligibility criteria for medical assistance benefits**

- Removes the sunset provision on legislation passed in 2001 that eliminated the asset test for the Medicaid program's children and family coverage group (the 2001 legislation made it easier for families to apply for and qualify for Medicaid and also saved the state money because several children receiving services in intermediate care facilities now qualify for Medicaid.)

***SB 2083 – Resource limits for the Service Payments for the Elderly and Disabled (SPED) Program**

- Requires the Department of Human Services (through the counties) to verify assets and income of all current and future SPED program participants to ensure that they are eligible and, if appropriate, are contributing toward the cost of their in-home services
- Added language that would disqualify individuals from the in-home services program if they transfer any assets before or after applying for SPED services
- Allows people to disregard (subtract) from their monthly income the verified costs of their prescription drugs when county workers determine their eligibility and cost-share requirement for the SPED program
- Directs the Department of Human Services to set up a new two-tiered sliding fee schedule so that people with more resources contribute more toward the cost of the SPED services they receive

***SB 2085 – Targeted case management services**

- Eliminates the sunset date for targeted case management services for individuals eligible for home and community-based long-term care services and allows the Department of Human Services to continue accessing Medicaid funds for this service
- Allows the Department or another delegated entity to conduct health and "social needs" assessments on referred individuals so that people are aware of services available to meet their needs and can make informed decisions (No funds were allocated for the assessments.)

***SB 2086 – Purchase of services for individuals with developmental disabilities**

- Directs the Department of Human Services to replace its retrospective payment process for providers serving people with developmental disabilities and to instead develop a fee-for-service payment system, which is to be put in place by July 1, 2005

***SB 2089 – Medical assistance for breast and cervical cancer**

- Eliminates the sunset clause on the breast and cervical cancer treatment program (paid for through Medicaid) enabling the Department of Human Services to continue to cover cancer treatment services provided to uninsured women who do not qualify for Medicaid or Medicare, and who are diagnosed with breast or cervical cancer through the Department of Health's Women's Way early detection program

***SB 2153 – Provider assessments for ICFMR**

- Establishes an assessment on services provided in Intermediate Care Facilities for the Mentally Retarded (ICFMR) (Dollars generated from the assessment provide funds to match federal Medicaid dollars.)

***SB 2155 – Definition of work activity for TANF**

- Assures that North Dakota’s Temporary Assistance for Needy Families (TANF) program complies with changes expected when the TANF program is reauthorized at the federal level

***SB 2160 – Medical support, agreements to waive child support**

- Implements the National Medical Support Notice, a new federal mandate to improve the enrollment of children in employer-provided health plans
- Adds a requirement that bonuses and other lump-sum payments in excess of \$1,000 be reported to the state Child Support Enforcement Division if a noncustodial parent is subject to income withholding and owes child support
- Makes other technical corrections and authorizes the Department to provide services under contract with regional child support enforcement units and tribes

SB 2188 – Religious or moral convictions of child-placing agencies

- Allows child-placing agencies to make decisions regarding placement based on their written religious or moral convictions
- Prohibits the department from denying a contract or license because a placing agency won’t make certain placements

SB 2194 – Medical assistance buy-in program

- Allows individuals with disabilities who have incomes below 225% of poverty (currently \$1,685 per month for a single individual) to purchase Medicaid coverage for a premium that will be based on a sliding fee and ranging from 2.5 to 7.5% of income
- Requires the department to establish a personal care option under the Medicaid Program for individuals living in their own homes

SB 2245 – Disclosure of the identity of child support obligors

- Authorizes the Department of Human Services’ Child Support Enforcement Division to develop and publish a “most wanted poster” of delinquent obligors who owe more than \$25,000 (NOTE: The custodial parent has the right to request no publication.)

SB 2246 – Notice of child support arrears, duties and responsibilities of a child support income payer, and judgment for past-due child support

- Increases the potential penalties for employers who withhold money from employees’ paychecks to cover the employees’ child support obligations but do not forward support in a timely manner
- Authorizes the Department of Human Services’ Child Support Enforcement Division to suspend or revoke licenses for hunting, fishing, driving, as well as professional licenses and vehicle registrations, without a court order, if an individual is at least three months or \$5,000 behind in his or her child support obligations (whichever is less)

SB 2330 – Demonstration waiver for personal assistance

- Allows the state to apply for waivers and grants that allow older individuals and people with disabilities who qualify for home and community-based services to choose the services that best meet their needs