

86th Legislative Session – 2011

Committee: Joint Appropriations

Tuesday, February 15, 2011

P - Present
E - Excused
A - Absent

Roll Call

- P Sutton
- P Haverly
- P Heineman
- P Novstrup (Al)
- P Peters
- P Putnam
- P Rampelberg
- P Dennert
- P Wismer
- P Juhnke
- P Bolin
- P Romkema
- P Dryden
- P White
- P Tidemann
- P Carson
- P Brown, Vice-Chair
- P Wink, Chair

OTHERS PRESENT: See Original Minutes

The meeting was called to order by Chairman Dean Wink.

Department of Human Services

Amy Iversen-Pollreisz, Interim Secretary of the Department of Human Services appeared before the Joint Appropriations Committee to present the FY12 budget request. Also in attendance were Dan Lusk, John Hanson, Ted Williams, Grady Kickul, Gaye Mattke and Scott Pelham. Documents 1-8 were distributed.

As part of Governor Daugaard's reorganization, the following divisions from the Department of Human Services will be transferred to the Department of Social Services: Alcohol and Drug Abuse, Human Services Center, and Mental Health. In addition the following boards will be transferred to the Department of Social Services: Board of Social Work Examiners, Board of Examiners of Psychologists, Board of Counselor Examiners, Board of Alcohol and Drug Professionals. Two advisory boards will also be transferred: Mental Health Planning and Coordination Advisory Board and Drug and Alcohol Abuse Advisory Council.

Interim Secretary Iverson-Pollreis told the Committee the total FY12 projected clients in Community Based services is 26,989 with 40 projected admissions at the SD Developmental Center and a projected average daily census of 150.

The Department of Human Services FY12 recommended budget is \$155,162,585. Changes from the FY11 budget include an increase of \$2,317,586 in general funds, a decrease of \$8,747,250 in federal funds, and a decrease of \$655 in other funds for a total reduction of \$6,430,319.

Major Expansions and Reductions to the Department Budget:

- Federal Medical Assistance Percentage (FMAP): The Governor recommends an increase of \$6,475,793 from the general fund due to changes in the FMAP rate. This results in a shift from federal funds to general funds.
- Reduced Rates to Providers: The Governor recommends a 10% cut to provider rates. This is a reduction \$4,148,443 from general funds and \$5,707,270 in federal fund authority for a total reduction of \$9,855,713.
- Reduced Rates Paid to Bureaus: The Governor recommends a decrease of \$32,545 from general funds, \$90,730 in federal fund authority, and \$655 in other funds.
- Reduced Travel: The Governor recommends a decrease of \$18,670 from general funds and \$30,360 in federal fund authority.

Secretariat Division – recommended budget of \$1,260,296:

- Move 9.0 FTE and budget to the Department of Social Services. Reduction in Personal services of 9.0 FTE and \$256,833 from general funds and \$256,833 in federal funds and a reduction in Operating expenses of \$29,278 in general funds and \$35,189 in federal funds.
- Reduction of \$6,025 from general funds and \$6,025 in federal fund authority due to reduced personal services.

Developmental Disabilities – recommended budget of \$105,657,970:

- Consumer expansion-Title XIX-Adults-Home and Community Based Services: The Governor recommends an increase of \$1,214,049 from general funds and \$1,795,494 in federal funds. The department predicts an increase of 54 consumers. This includes 65 admissions, 69 kids turning 21, and discharges.

- ICF/MR Child Transition: An increase in federal funds of \$4,138,773. The Division will begin oversight of the Children's Care Hospital and School in Sioux Falls on May 1, 2011.
- Eliminate Autism Grant: A reduction of \$125,000 from general funds to eliminate the autism grant.
- Eliminate College of Direct Support Training: A reduction of \$47,194 from general funds and \$47,194 of federal fund authority to eliminate this program.
- Reduce Community Training Services: A reduction of \$71,782 from general funds due to reductions in community training services to help meet the goal of eliminating the structural deficit.

With regard the elimination of the autism grant, Senator Brown asked if anyone else in South Dakota was capable of conducting the autism evaluations. Interim Secretary Iverson-Pollreisz said no. In response to Representative Bolin's question, Interim Secretary Iverson-Pollreisz said the autism program had been in existence since 1991.

Interim Secretary Iverson-Pollreisz said the Developmental Disability Division provides services to approximately 2600 individuals primarily through contracts with 19 community support providers across the state. The Developmental Disabilities projected numbers for FY12 include: 80 discharges, 65 admissions, and 69 kids turning 21 for a total of 54 at a cost of \$3,009,543. The funding sources for Developmental Disabilities include \$66,399,194 in federal funds and \$39,258,776 in General funds.

Senator Peters asked the department to provide a spreadsheet with additional information on the Home & Community Based Services analysis.

Senator Heineman asked for information on the College of Direct Support Training. Mr. Pelham said South Dakota had been a leader in the nation in utilizing the College of Direct Support Training. The department, as well as the providers, had bore a good portion of the cost of this positive training for direct support providers.

SDDC – Redfield – recommended budget of \$23,935,465:

- Reduced Utility Costs: A decrease of \$95,645 from general funds and \$141,452 in federal funds.
- Reduced Personal Services: A decrease of \$139,944 from general funds and \$206,966 in federal funds.
- Reduced Operating Expenses: A decrease of \$36,225 from general funds and \$53,574 in federal funds.

Services at the Developmental Center in Redfield are divided into 3 program areas:

- Program One has the capacity to serve approximately 60 men with challenging behaviors within 6 living areas and one transitional living area.

- Program Two (Turtle Creek) has the capacity to serve 40 adolescents with challenging behaviors within 4 structured living areas and one transitional living area. Education is provided through the Redfield Public School.
- Program Three has the capacity to serve approximately 50 men and women with a variety of behavioral issues within 6 living areas.

Levels of support and supervision at the Developmental Center include 22.4% in Low, 53.7% in Moderate, 20.4% in Significant and 3.5% in High with a majority of being Low to Moderate. Funding sources include \$13,651,471 in federal funds, \$9,291,849 in General funds and \$992,145 in other funds.

In response to Committee questions, Interim Secretary Iverson-Pollreisz said Redfield's capacity is 150 and the cost per person is \$450/day. Current population at the center is 146. John Hanson, Director of Budget and Finance said the \$450/day includes all costs. Senator Brown asked if the 150 capacity was a staff or space limitation. Interim Secretary Iverson-Pollreisz said both.

Senator Peters asked for information on the prescription drug plan. Mr. Hanson said because there are two different pools of money for the drug plan, the program will remain the same. For those individuals who are deemed dual-eligible, they will be on their own drug plan so Redfield will continue as they have in the past. There will be one funding source but it will be accounted for in two different budget centers.

Rehabilitation Services – recommended budget of \$21,217,331:

- Eliminate Traumatic Brain Injury Title XIX Funds: A decrease of \$31,151 from general funds and \$107,233 in federal funds.
- Vocational Rehabilitation Client Services: A decrease of \$212,375 from general funds and \$997,719 in federal funds to help meet the goal of eliminating the structural deficit.
- A reduction of \$242,913 in federal fund authority due to ARRA funds being expended.

Funding sources for Rehabilitation Services include \$15,630,125 in federal funds, \$3,637,187 in General funds and \$1,950,019 in other funds.

Interim Secretary Iverson-Pollreisz told the Committee that South Dakota continues to rate in the top tier of states nationally in the percent of individuals with work disabilities who are employed. In FY10 the average annual income of consumers rehabilitated was \$14,094, prior to rehabilitation, the average income was \$3,205.

Senator Peters requested additional information on budget cuts in the traumatic brain injury program, vocational rehabilitation and attendant care services and why these areas were cut. Mr. Kickul said the vocational rehabilitation program is a state/federal program that provides funding under the federal rehabilitation act to provide services for people with disabilities who have employment as a goal as opposed to entitlement programs. After those individuals qualify they enter into an individualized rehabilitation plan to work toward their goal of employment. The

state purchases services from vendors to give the client the skills they need to go out into the job market. Those services may include on-the-job training, college or vocational school, or assistive devices. Once the training is complete the department works with the client to find a job. Approximately 700 people were in the job market last year and the department's case load is between 4500-5000 statewide. Depending on the vocational objective, the program may take 1-4 years to complete.

The Traumatic Brain Injury Program provides individualized services to those that have TBI to help them get cognitive re-training they may need in order to be successful in gaining employment. Each year the division works with about 20 individuals who are referred to community transitions for TBI services. Currently two are funded by Medicaid funding. The division intends to work with these two to determine if they are eligible for vocational rehabilitation funding. The remaining clients are funded through case service vocational rehabilitation funding. Senator Peters asked if the TBI program was going to be totally eliminated. Mr. Kickul said the funding source is being eliminated; however, they will use the vocational rehabilitation funds for a majority of the people in the TBI program. Senator Peters asked what impact the vocational rehabilitation cuts will have. Mr. Kickul said the remaining budget will be adequate to serve those coming into the program in the next year. The division is just coming off of two years of ARRA funds.

Representative Bolin asked how long the TBI program had been in operation. Mr. Kickul said approximately 15 years.

Services to the Blind & Visually Impaired – recommended budget of \$3,091,523

- Reduce Vocational Rehabilitation (VR) Client Services: A decrease of \$63,900 from general funds and \$236,100 in federal funds to help meet the goal of eliminating the structural deficit.
- Reduce SBVI Independent Living Services: A decrease of \$4,000 from general funds to help meet the goal of eliminating the structural deficit.
- A reduction of \$3,170 in federal funds due to ARRA funds being expended.
- Personal Services Funding Swap: A decrease of \$33,877 from general funds and an increase of \$33,877 in federal funds.
- Reduced Personal Services: A decrease of \$4,278 from general funds and \$15,809 in federal funds due to reduced personal services.
- Reduced Operating Expenses: A decrease of \$15,091 from general funds and \$61,064 in federal funds due to reduced operating expenses.

The Division of Service to the Blind & Visually Impaired provided services to 473 clients in FY10, a majority of which were aged 85-89. Funding sources for this division are \$2,055,921 in federal funds, \$251,701 in other funds and \$783,901 in general funds.

Senator Heineman asked for information on the cuts in Vocational Rehabilitation and Independent Living client services. Gaye Mattke, Division Director said based on client service

figures, the department anticipates being able to serve all eligible individuals and absorb the cuts. Ms. Mattke said the highest cost in case service is medical restoration. The necessary service is as important as the number of people served. Independent living is a small group of individuals that do not have a Vocational Rehabilitation goal and are not 55 or older and generally have significant disabilities. The budget for these individuals allows for the purchase of necessary devices. The department will continue to provide service and training but will not be able to purchase the necessary devices.

Senator Sutton voiced his concern over the lack of negative effects from the budget cuts considering the importance of the programs. Ms. Mattke said while the division is concerned, it is hard to predict the future. When looking at the data and the dollars, it could go either way and they are hoping for the best. Senator Brown asked if the department anticipated any reversions in appropriation authority from the FY11 budget. Ms. Mattke said no.

Representative Bolin asked if the department had any contingency plans in place in the event the federal dollars were not available. Interim Secretary Iverson-Pollreisz said other than the ARRA funding going away; they are not anticipating any loss of federal funds.

Representative Romkema asked what the average case load was in the Blind & Visually Impaired Program. Ms. Mattke said the case load was just over 500 with clients in the program an average of 6-12 months. However, if the client is enrolled in college, they may start at age 16 and could be in the program for 4-6 years.

Senator Peters asked for information on the 10% reduction in provider rates in the Division of Developmental Disabilities. Interim Secretary Iverson-Pollreisz said the 10% cut in provider rates will be across the board. The department pays the provider on a monthly basis after receiving an invoice for the services provided. Senator Peters asked if the provider could be paid more often to help with cash flow problems. Interim Secretary Iverson-Pollreisz said the department plans to work with the providers on this issue should this 10% reduction take effect. Senator Peters asked the department to provide a list of different provider rates on the excel sheet she has seen.

Senator Tidemann asked about the difference in cuts between community based providers and the Developmental Center. Interim Secretary Iverson-Pollreisz said each division came up with their own budget cuts. The Developmental Center proposed cuts that will allow the Center to maintain operations without harming the clients. The Developmental Center has had a number of cuts over the past 3 years, including 20.5 FTEs, many of which were direct support staff.

Senator Peters said the FTE cuts at the Developmental Center were more about right sizing and voiced her concern about a 3% cut at a state facility and a 10% cut to community based providers. Senator Peters also asked for information on the \$1.5 million renovation project at the Center. Ted Williams, Director of the Developmental Center told the Committee 20.5 FTEs were cut in the past 3 years; however, 22.5 FTE have been cut overall. In regard to the proposed

3% cut, Mr. Williams said the Developmental Center had a 10.3% reduction in its budget between FY10 and the proposed FY12 budget.

Senator Heineman asked what the reduction in client numbers had been in line with the 20.5 FTE reductions. Mr. Williams said the Center's goal was to get the population down to 142; however the numbers have not lessened and, in fact, there is currently a waiting list. The current population at the Center is 146, the same as it was 3 years ago.

In response to Senator Peters' question, Mr. Williams said two old large buildings were closed down and they remodeled the units previously occupied by Trustees from the Department of Corrections. Those units are now occupied by the Center's adolescent clients. Mr. Williams said closure of the 2 old buildings will save the state approximately \$250,000 a year in utilities. The renovations provide for better support for the type of client served, better supervision and better living conditions.

Senator Heineman asked how the cuts were determined in the Division of Rehabilitation. Mr. Pelham said they looked at how to do the least amount of harm and yet meet the 10% goal. The department will meet with providers after the budget is adopted to see how to handle the changes.

Senator Brown commented that it had been a wise decision to relocate Redfield clients back to their home communities with services provided by community based providers. Senator Brown asked if the department had an estimate of how the 10% cut will affect providers and how many clients will be provided for at more expensive facilities. Senator Brown also asked if there was an average daily cost for care of the client in a community setting. Interim Secretary Iverson-Pollreisz said they do not know exactly how the 10% will affect each individual provider. Each provider will need to look for their own efficiencies. Mr. Pelham said over the last decade more and more clients have moved back into the community with the help of the community based providers. Approximately 98% of the budget is directly in provider contracts. This group is more expensive to support but overall the system works well. At the same time it puts a lot of pressure on the community based providers. One community has designed an Intensive Treatment program and has been working for over a year to move people out of Redfield. The state is not allowed to pay them until the plan is in place, so their commitment is substantial. Mr. Pelham said if Redfield is not available, it will be a difficult challenge, especially if someone is not able to handle life in the community. Providers work very closely with the state to service these clients.

Senator Brown said there had obviously been a tremendous amount of vision to affect this over the past decade, a lot of dedication and time on the part of the department and the community based providers. The Committee wants to make sure when a better option is found for the individual that it is also cost effective. Senator Tidemann asked what will happen when clients are moved out of Redfield, back into the community and the community providers take a 10% cut. Interim Secretary Iverson-Pollreisz said the department will be working with the providers because the option of sending everyone back to the Developmental Center is not there.

Senator Tidemann asked if the \$125,000 in the autism program is leveraged for any other grant funds. Mr. Pelham said there are other funds in autism services, but the \$125,000 has not changed for a long period of time. Senator Brown asked how many people were evaluated under the autism grant. Amanda Keating with the USD Center for Disabilities said they hold a 2-day clinical evaluation twice a month and service 1 to 2 children at each clinic. A minimum of 20 children are evaluated each year, representing the most complex cases across the state. Referrals come from the school system or areas where they do not have the clinical expertise to handle the evaluation. The Center sees individuals ranging in age from toddlers to seniors. Ms. Keating said there is a huge cost savings if the individual is diagnosed and begins receiving treatment early. Senator Brown asked who conducts the evaluations. Ms. Keating said they have a clinical team consisting of professors and medical doctors, audiologists, occupational therapists, speech language pathologists, child psychiatrists, clinical and school psychologists, and education specialists.

Senator Heineman asked for information on the transition of the Children's Care Hospital. Interim Secretary Iverson-Pollreisz said the state recognized that Children's Care Hospital was providing services to children with developmental disabilities and they fit better into the ICF/MR classification. The hospital's population was similar to what the department was seeing. Senator Heineman asked if this change would open up new opportunities for clients. Interim Secretary Iverson-Pollreisz said it links them to the system that specializes in that area.

Representative White commented on the Redfield cost of \$450/day compared to the community based services average of \$112/day and asked how a client is evaluated at the community level. Interim Secretary Iverson-Pollreisz said when the client comes into the system, their needs are evaluated and the appropriate services are determined. The rate for community services would be specifically for developmental disabilities and would not include medical or other needs,

Daryl Kilstrom with LifeQuest in Mitchell and Brad Saathoff with the Black Hills Workshop and Training Center spoke to the Committee. Mr. Kilstrom and Mr. Saathoff represented the 19 support service providers across South Dakota. The service providers serve approximately 4000 individuals with developmental disabilities ages 3 to 80+. Mr. Kilstrom said their agencies exist to help people stay in their communities rather than in a state institution which in turn has provided significant and ongoing savings to the state of South Dakota over the years. Mr. Kilstrom said the proposed 10% cut is too much and requested the Committee consider less.

Mr. Saathoff said the community based service providers were responding to the needs of the state and the number of people and their needs continues to increase. The people that are supported range from minimal support to those of a greater need requiring total care. Mr. Saathoff said over 80% of their revenue comes from Medicaid and nearly 100% of the people served are Medicaid recipients. Medicaid reimbursements are the line share of the funding and they can not pass the cuts on to others; less than 1% of those served are private pay clients. The agencies are limited to a 3 month cash reserve in addition to no rate increases in the last 2 years and only 1.8% in past 15 years. Mr. Saathoff said the providers have already implemented any

and all efficiencies, granted no pay raises, deferred capital improvements and have ceased contributions to employee retirement funds. The 10% cut is an ongoing cut and will result in a reduction of services. This cut will set a new norm.

Mr. Kilstrom said they understand cuts are necessary but they fear losing what they have worked so hard to build and safety and capacity is already at a capacity. The service providers will continue to work hard at fund raising. Mr. Kilstrom said his organization is able to raise approximately \$100,000 annually and receives 5% (\$150,000) annually from their foundation. That money is already in the budget and is used for operating expenses. Additional fundraising is an option but not a solution.

Senator Haverly asked what percentage the providers could cut if they are not able to do the 10%. Mr. Kilstrom said 0% is a win, 10% is cutting staff (7 or 8 in Mitchell), increasing room and board, and raising health insurance premiums. Representative Wink asked if the reduction in services would include clients. Mr. Kilstrom said at his agency it would be a reduction in services to their current client numbers and Mr. Saathoff said less people would be served. If rates are cut 10% across the board, it will affect all programs and all clients at every level.

Representative Wismer asked for the average pay for service providers. Mr. Kilstrom said \$9.30/hour is the average statewide. The turnover rate averages 40%; however, that rate is currently better because of the poor economy. The turnover rate in the Black Hills is in the low 20's and at full staff employs 430. Representative Bolin asked what took place before the community based service providers came to be. Mr. Kilstrom said in the mid-1960's there were 1200 clients in the Redfield hospital and people were kept at home. The first program started in 1958 in Sioux Falls, then Rapid City, Mitchell and Aberdeen.

Senator Tidemann asked about in-kind contributions from the local communities and asked if the foundation were earmarked. Mr. Kilstrom said there were no restrictions on the use, but was limited to 5%. Mr. Saathoff said the Black Hills Workshop has a lot of friends who are willing to step up and provide funding for the foundation and social capital.

Senator Heineman asked for information on the community training services. Mr. Saathoff said the community training was being cut 14% and was funded entirely with general funds. The training service is a huge bang for the buck. It assists the people that can't quite make the criteria for Medicaid but still need support to hold jobs and keep their lives in line in the community. For the most part these are individuals that live in the community on their own.

Dianna Rajska, President and CEO of Children's Care Hospital and School in Sioux Falls and John Clarke, Chief Financial Officer, spoke to the Committee regarding Medicaid cuts and how that would impact services to children with disabilities in their care. Ms. Rajska said Children's Care provides services to approximately 2000 children with significant disabilities throughout South Dakota. These children are medically fragile and are children with behavioral disorders. Children's Care is the only provider in South Dakota offering 24-hour, integrated medical,

behavioral and special education services for children ages birth to 21. Medicaid revenue represents 90% of the funding for inpatient and residential programs.

Ms. Rajski said the proposed 10% cut represents \$1.4 million of their total budget which falls under the Department of Human Services and Department of Social Services budget. The cut will cause the most impact to children with disabilities that need inpatient and residential services. These services are 90% funded by Medicaid and are children that have few if any alternatives for care. The 10% cut in inpatient and residential care represents \$1.2 million, costs that cannot be shifted to other private payers. The estimated general fund portion is \$200,000 for inpatient and residential services and \$300,000 for total services. Much of the outreach services are highly subsidized, and not paid in full by Medicaid. Representative Wismer asked if the funding from schools was coming from special education. Mr. Clarke said yes.

Representative Bolin asked about private fund raising efforts. Ms. Rajski said they do rely on fund raising for operating expenses as well foundation revenues which are calculated into the operating revenue each year. Approximately 6.6% or \$2 million of the hospitals budget is covered by private donations.

Ron Sasso, with Community Transitions in Rapid City spoke regarding brain injury rehabilitation. Mr. Sasso said the individuals in the Medicaid portion of the budget are the poorest of the poor. Over the years approximately 50% were homeless when they came to the community provider, and some may have had a criminal record. Of the 2 currently being served, one was slated to move out of state for higher rate services. The department worked with Mr. Sasso's organization to keep that individual in South Dakota and close to his family. Representative Wink asked how the proposed cuts would impact their budget. Mr. Sasso said the 10% cut would be approximately 20-25% of their operating budget so it would have a significant impact. Senator Rampelberg asked for the total budget. Mr. Sasso said their total budget is approximately \$650,000. Approximately 30% would not be coming from the federal government because of the 10% cut.

Vicki Kerkvliet, with Independent Living Services from Sioux Falls spoke to the Committee regarding the 4 independent living centers in South Dakota and the services they provide. Last year, the 4 independent living centers served approximately 2,500 people with disabilities to assist them in the ability to remain in their homes and communities. Ms. Kerkvliet feels the proposed 10% cut will make more people dependent upon services or even force them to move out of state.

Ann Van Loan, Executive Director for Western Resources for Disabled Independence spoke to the Committee regarding the proposed 10% cut. Ms. Van Loan said her agency, which covers 17 counties in western South Dakota, receives approximately \$135,000 from the state. Ms. Van Loan feels it is irresponsible to cut the most vulnerable people in the state. In response to Senator Brown's questions, Ms. Van Loan said her agency serves approximately 600 clients and none had a Medicaid match. Senator Peters asked if Ms. Van Loan's agency was a contract

provider. Ms. Van Loan said yes, her agency receives federal funding with a \$135,000 match from the state of South Dakota.

Michael W. Grengs with SD Advocates for Change in Watertown spoke to his ability to live on his own with the help from New Horizons in Watertown. Mr. Grengs said the proposed cuts will cost New Horizons approximately \$700,000 which will involve staff cuts as well as transportation services for clients

Jackie Campbell from Rapid City representing herself as well as Black Hills Workshop spoke to her abilities and her work at Concourse Enterprises. Ms. Campbell requires help from Black Hills Workshop for grocery shopping and depends on friends for other things. Senator Brown asked how long Black Hills Workshop had provided services and how she become aware of the service. Ms. Campbell said Vocational Rehabilitation had referred her to Black Hills Workshop for assistance in August of 2009.

Lori Blair, from Crooks spoke about her family's dependence on provider services for her 16 year old son who has autism. Ms. Blair said they have utilized services including the USD Autism Center, Children's Care Hospital, Independent Living Center and Parent Connection. Currently Ms. Blair is receiving assistance from LifeQuest Family Support and Respite Care. Ms. Blair feels the 10% cut will decrease the independence of the individuals receiving services from the department and its providers.

Tammy Tolton from Ft. Pierre spoke to the Committee about her 2 sons who have autism and said the support they received was very beneficial because the support started so early. Ms. Tolton said the proposed cuts will have a huge impact on people with disabilities. Representative Bolin asked what services are provided by the school district. Ms. Tolton said her children, who are in 1st and 3rd grade, each receive speech therapy, occupational therapy and one-on-one services in the classroom and special education room. Representative Bolin asked if they had received assistance from the Birth to 3 Program. Ms. Tolton said yes.

Senator Peters asked for the total budget for the USD Center for Disabilities. Judy Struck, Executive Director of the Center for Disabilities said the budget varies from year to year depending on the amount of grants received. The average budget is between \$350,000-400,000. Ms. Struck said there are charges for some services and not for others. The \$125,000, which is from general funds, serves as a match for other federal money. Ms. Struck said the \$125,000 allows them to hire one autism specialist and once that expertise is in place they are able to seek other grants. The Center is totally self supporting through grants and contracts. The Center looks at what resources and staff is available and then decides what they can do in the way of services. Ms. Struck said currently the Center has a grant from the state office of special education for high risk; high needs students in schools across the state with behavioral issues primarily due to autism. This grant provides for training for school staff as well as intensive onsite consultations. The grant will cover 5 students with high need complex issues and 40 hours of onsite training. Another training grant through Developmental Disabilities provides

competency based training in three phases. Ms. Struck said the Center charges for diagnostic services; however some federal dollars cover some of this expense. The Center also charges for consultations for families and school districts. The Center has a great deal of resources for families; provides for 2 weeks of summer training for educators and related personnel at a nominal fee. Any profit from that activity goes to purchase additional resources. In addition, the Center does a mass mailing to over 1000 people on an autism list.

Senator Brown asked Ms. Struck to provide a list of options of what would happen if the program was at a lower level than \$125,000. Ms. Keating said the Center for Disabilities is not a private provider like the others; it is South Dakota's University Center for Excellence in Developmental Disabilities. A program with a comparable number of individuals in Florida had a budget of \$5.8 million. South Dakota should take pride in what has been accomplished with limited state dollars.

Senator Heineman asked about Children's Care's autism work is collaborated with USD. Ms. Struck said yes, graduate students go to the Children's Care Hospital and clinical staffs do work together.

The following individuals expressed their concern to the Joint Appropriations Committee regarding the proposed 10% budget cuts to the Department of Human Services:

- Chuck Henrie, with SD Advocates for Change in Rapid City receives services from Black Hills Workshop.
- Marlene Bryant from Rapid City receives help from the Black Hills Workshop.
- Amy McGregor from Brookings
- Heather Therkeldsen from Rapid City
- Kandi Rondefeldt from Rapid City
- Kyle Hegge from Vermillion
- Nancy Weiss from Rapid City
- Stacy Youngbird from Rapid City
- Chad Moore from Rapid City

Interim Secretary Iverson-Pollreisz told the Committee the services provided by the department and the providers are obviously very important to people across the state. Because most of the funding is in direct service to people, it will have a negative impact on these providers.

Senator Putnam commented how humbling it was to hear from the individuals that are affected by the budget cuts and provided history to the Committee on what went on before community programs were available and how hard the legislators and past governors had worked to make life better for individuals with disabilities.

MOTION: TO APPROVE THE MINUTES OF JANUARY 27, 2011

Moved by: Sutton

Second by: Brown

Action: Prevailed by voice vote.

MOTION: ADJOURN

Moved by: Carson

Second by: Peters

Action: Prevailed by voice vote.

Barb Bjorneberg
Committee Secretary

Dean Wink, Chair