
# Furthering A Community-Based Mental Health System In Minnesota:

## State Operated Services Report to the 2003 Legislature

**February 2003**

***Mandated by Laws of Minnesota, 2002, Chapter 374, Article 9, Section 2, Subdivision 4***

Per requirement of M.S. 3.197, the cost of preparing this report was less than $5,000.

# Furthering a Community-Based Mental Health System in Minnesota: State Operated Services Report to the 2003 Legislature

## TABLE OF CONTENTS

# I. EXECUTIVE SUMMARY

During the 2002 session, the Minnesota State Legislature was confronted with reconciling an estimated $3.6 billion state budget deficit for the 2004-05 fiscal years. As a result of its deliberations on a budget fix, the Legislature directed the Department of Human Services (DHS) to study consolidation of the State Operated Services (SOS) delivery system. Criteria for the study, as established by the Legislature, required DHS to consider other community-based delivery options for people with disabilities.

For purposes of this study, SOS analyzed specific consolidation scenarios related to how mental health and nursing home services could be delivered. The goals of these five specific consolidation scenarios were believed to be:

- Improve system delivery efficiencies;
- Retain service delivery capacity;
- Ensure high quality results; and
- Achieve fiscal savings.

A careful analysis of the scenarios, including those deemed most likely to achieve significant savings, concluded that consolidating campuses is inconsistent with progress Minnesota has made toward a community-based system of care for people with disabilities. Furthermore, it was found that considerable investment would be needed in the short term to provide quality care for patients while achieving long-term cost savings beyond the 2004-05 biennium. Much of that investment would be in capital renovation having no direct relationship to patient care.

Meanwhile, during public meetings where scenarios were presented during the fall of 2002, citizens expressed a strong interest in expanding the community-based mental health delivery system. A broader array of services, including crisis assistance and interim and long-term housing, they said, would help to ensure people receive the services they need when they need them and as close as possible to their homes and natural supports of family and friends. It was believed that such a system, integrated across both the public and private service providers, would increase consumer choice, improve access to care and produce better outcomes.

This focus is consistent with the direction SOS has moved in recent decades. With the closure of the Moose Lake Regional Treatment Center in the 1990s, SOS participated in a similar type of system redesign effort in northeastern Minnesota. Furthermore, SOS has become a public vendor in the competitive marketplace of community-based services for people with disabilities.

With this report, DHS makes the following recommendations for consideration by the 2003 Legislature:

- Counties, working with the DHS Mental Health Division, should further develop the community-based mental health service delivery system.

- Private mental health service providers should be encouraged to increase participation in the community-based mental health system.

- SOS should blend into the community-based system of care when appropriate, capitalizing on the knowledge and expertise of SOS employees.

- In the context of the community-based system mental health system, SOS services should be reconfigured so that maximum revenue can be captured to offset state appropriations.

- Reliance on SOS campus-based mental health services should be reduced as community-based services are developed.

- Community-based care should be developed for individuals now served at SOS nursing facilities.

- Regional treatment centers should be transferred to local communities for redevelopment.

# II. INTRODUCTION

During the 2002 session, the Minnesota State Legislature was confronted with reconciling an estimated $3.6 billion state budget deficit for the 2004-05 fiscal years. As a result of its deliberations on a budget fix, the Legislature directed the Department of Human Services (DHS) to study the consolidation of the State Operated Services (SOS) delivery system. Criteria for the study, as established by the Legislature, required DHS to consider other community-based delivery options for people with disabilities. These criteria were specifically outlined in the following session law.

> *The commissioner of human services, in consultation with community representatives, shall evaluate strategies to consolidate the delivery of state-operated services. Strategies shall be considered in the context of other community-based services options. By January 15, 2003, the commissioner shall provide recommendations to the 2003 Legislature that result from this evaluation*. Minnesota Session Laws, 2002, Chapter 374, Article 9, Sec. 2, Subd.4

In the summer of 2002, the SOS Governing Board and SOS staff met to establish the framework for conducting the study. Principles for considering consolidation of SOS campuses, common definitions, and assumptions were agreed upon so that accurate comparisons could be made between the differing consolidation scenarios. Efforts focused on reducing costs associated with general fund appropriated services, which includes the large expense items of adult mental health services, state nursing facility services, and forensic services. In accordance with the legislative mandate, SOS specifically analyzed opportunities for cost savings while preserving quality patient care and community safety. Overhead costs associated with buildings and grounds were clearly identified as significant opportunities for long-term savings.

In September 2002, the SOS acting assistant commissioner and the three regional administrators began meeting with employees, labor representatives, county officials, and mental health advocates to discuss the process for conducting public meetings later in the fall and to encourage participation in those meetings and potential partnerships in the community-based mental health system.

In October, scenarios for five possible consolidations were completed. These scenarios reviewed effects on the total utilized bed capacity, the costs of maintaining vacant space and paying separation costs for affected employees. They were presented at public meetings in Willmar, Walker, Brainerd and St. Peter between October 22 and November 4, 2002. In addition, these scenarios were presented separately to county directors.

In addition to regular duties, DHS staff completed most of the work for this report. An outside consultant was hired to facilitate the public meetings to assure a non-biased approach to how the public meetings were conducted and how the public would perceive the meetings. The total cost of the consultant expense was $4,500. Minor costs were incurred for staff travel to public meeting sites. There was no cost for meeting rooms.

# III. BACKGROUND

Before the state's most recent budget deficit, State Operated Services had been evolving as a provider of care in response to modern treatment trends. Advancements in the understanding and treating disabling conditions, support for community-based delivery systems of care for people with disabilities and increased accountabilities for better health care outcomes with reduced costs have driven SOS to participate as a vendor in the competitive marketplace.

For more than three decades, there has been increasing support to modernize the current delivery system, moving it away from yesterday's model of delivering public services in institutional settings to one where services are specialized to match a consumer's needs and where services are delivered closer to the consumer's community and natural supports.

A landmark 1974 U.S. District Court decision, frequently referred to as the Welsch decision, called for significant reductions in the population of people with developmental disabilities in the state hospital system. Under the Welsch negotiated settlement, the Minnesota Department of Human Services committed to restructuring the Regional Treatment Center (RTC) system and moving people with developmental disabilities out into the community. This included a commitment for development of state-operated group homes for people with developmental disabilities. Begun in 1989, the process for moving people into the community was completed in 1999, when the last group of people with developmental disabilities moved to community homes.

Since the 1980s, the State of Minnesota has applied to the federal government and received permission for waivers to allow Medicaid funds to be used for services for the elderly and for people with disabilities. These waivers allow services to be provided in community settings rather than an institution if the cost is less. Today, waivers allow community-based services for people with mental retardation and related conditions, traumatic brain injury, mental illness and chronic illness requiring nursing home or hospital level of care.

With the creation of the Consolidated Chemical Dependency Treatment fund in 1986, SOS moved a significant portion of its chemical dependency treatment programs from state appropriation to new third-party payor funding streams. Combined in this fund were state appropriations that had previously gone to RTC chemical dependency treatment programs, Medical Assistance and other state funding. Since then, other SOS services that have become public vendors in the competitive marketplace include residential and day training services for people with developmental disabilities, traumatic brain injury treatment services and adolescent mental health treatment services.

Concerning mental health, the Minnesota Legislature passed comprehensive mental health acts for adults and children in the late 1980s. These statutes define a long-term vision for serving people with mental illness in a community-based system rather than large public institutions. At the time the legislation was passed, budget constraints

prevented the immediate construction of a community-based infrastructure so the regional treatment centers continued to provide services to treat adults with mental illness.

In the late 1990s, the Legislature authorized pilot projects referred to as the Adult Mental Health Initiatives. These Mental Health Initiatives reassigned RTC staff to work in the community with county staff and other professionals. Together, they have provided crisis assistance, housing and other services for people with mental illness. These services have helped people with mental illness avoid hospitalization and remain in their communities.

In 1999, a U.S. Supreme Court decision, referred to as Olmstead versus L.C., called on states to prevent and correct inappropriate institutional living for people with disabilities. This decision continued to move Minnesota in the direction of creating a community-based mental health system.

In 2001, the Legislature acted to invest in community mental health services through the "social rehab" option. This investment leverages matching federal Medicaid funding. The state's investment was more than offset by reduced funding for SOS, which SOS managed in large part through administrative streamlining and simplification.

The SOS delivery system currently consists of an array of campus and community-based programs serving people with mental illness, developmental disabilities, chemical dependency and traumatic brain injury. Specifically, it consists of the regional treatment centers (RTCs) at Anoka, Brainerd, Fergus Falls, St. Peter and Willmar and the state nursing home at Walker. In addition, it includes a group of community-based programs in the northeastern part of Minnesota serving consumers with mental illness, chemical dependency and developmental disabilities. Two clinics, located in Cambridge and Faribault, provide dental services, mental health services, or both. Other State Operated Community Services include a statewide system of residential and day training and habilitation services for people with disabilities. Finally, SOS provides forensic services at the Minnesota Security Hospital in St. Peter, the Minnesota Sex Offender Program in Moose Lake and St. Peter, and the Minnesota Extended Treatment Options program in Cambridge.

Within this delivery system, SOS has continued to streamline its administrative structure and eliminate positions that reflect when the RTCs served as a long-term residence for people with disabilities. SOS has proceeded to eliminate positions unrelated to direct patient care. This included the consolidation of nine RTC chief executive officer and medical director positions to three regional administrator positions and three medical director positions. Today, SOS top management consists of a chief executive officer, reporting to the DHS assistant commissioner for Continuing Care; a chief operating officer; two regional administrators; and three medical director positions. Since the spring of 2002, SOS has consolidated all staff development, business office, human resources and information technology activities into system-wide operations. A total of

134 full-time equivalent positions in SOS were eliminated in fiscal year 2002 and an additional 90 positions were eliminated in fiscal year 2003.

# IV. FINDINGS OF THE 2002 STATE OPERATED SERVICES CONSOLDATION STUDY

The study consisted of the following activities:

- Completion of campus consolidation scenarios considered most likely to yield significant, long-term savings while adhering to principles for consolidation as adopted by the SOS Governing Board.

- Preliminary meetings with employees, labor representatives, county officials and mental health advocates to discuss a process for public meetings, explain how scenarios would be presented there in detail and to encourage participation in the meetings and potential partnerships in delivery of mental health services.

- Public community meetings where scenarios and supporting materials were presented and the public commented on potential impacts of consolidation and potential community partnerships.

**Scenario development**
For purposes of this study, SOS analyzed five specific scenarios related to the delivery of SOS appropriated services. Because SOS enterprise programs do not depend upon state appropriation, they were eliminated from the scenario development. Furthermore, SOS forensic services were eliminated from the consolidation scenarios because they were determined to have optimal overhead costs for the services being provided.

The scenarios included:

1. Consolidating all SOS nursing home beds onto the Brainerd campus and vacating the Ah-Gwah-Ching campus in Walker.

2. Consolidating all SOS nursing home beds onto the Ah-Gwah-Ching campus and closing the Woodhaven nursing home beds on the Brainerd campus.

3. Vacating the adult mental health treatment program on the St. Peter campus and moving it to the Willmar campus. Expanding the SOS forensic capacity at the vacated St. Peter location.

4. Vacating the adult mental health treatment program at Willmar and moving it to St. Peter.

5. Vacating the Anoka campus and moving all of its programs to Willmar.

Cost calculations showed that no immediate savings would be achieved in any of the scenarios. In most cases, significant expenditures would be required in the current biennium in order to achieve future cost reductions. Costs associated with the

consolidations include additional operating costs, capital renovation costs associated with the new location, and maintenance costs associated with the existing campuses until they are transitioned to the community. Table 1.1 highlights these specific costs.

**Table 1.1 Costs Associated with Scenarios for Campus Consolidation***

| SCENARIO | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|
| **Additional Operating Costs** | $3.747 | $.639 | $2.016 | $4.652 | $7.799 |
| **Capital Renovation Costs** | $15.000 | $2.700 | $5.500 | $7.600 | $19.200 |
| **Net Savings in Future Years** | $2.005 | $0 | $1.672 | $.077 | $6.271 |

***** *(Dollars in millions)*

**Preliminary employee meetings**
Employees shared several ideas for saving costs at their facilities. Many employees said services in their facilities were superior and that the status quo should be preserved for the benefit of patients and communities. Employees also shared concerns about staffing levels, the need for good communication with legislators and with employees through the consolidation study process. Employees also made observations about other factors affecting the state mental health system, including the current civil commitment law, psychiatric bed shortages in the Twin Cities metropolitan area and housing shortages for people with mental illness. The Adult Mental Health Initiatives were cited as good examples of community-based services as alternatives to campus-based care.

**Preliminary county representative meetings**
County representatives voiced support in favor of forming partnerships where mental health services could be delivered in creative and alternative means. Representatives requested greater flexibility in using new funding streams. Representatives suggested materials at the public meeting should include a summary of how the Moose Lake Regional Treatment Center was transitioned to community-based services in the 1990s. Because a similar "safety net redesign" process had begun in the area of northwestern Minnesota as was served by the Fergus Falls Regional Treatment Center, a description of that process was also provided in information packets distributed to the meeting participants.

**Preliminary mental health advocate meetings**
Key Minnesota advocates for improved mental health services told SOS leadership that service capacity should be increased and that services should be provided as close as possible to the home communities of people served.

**Public community meetings**
Public community meeting participants included employees, elected officials, county and education officials, law enforcement officers, labor representatives, patients and family members, mental health advocates, citizens and health professionals. Many participants

argued against the notion of campus consolidations. The vast majority of comments followed these themes:

- Relocation of services from one campus to another would pose a hardship to patients because of the lack of access to their families, transportation and other community supports and the trauma and stress of forcing patients and their families to move/travel.

- Emphasis should be on what's best for patients, not what saves money.

- Services should continue in the communities where they are located now because employees are well trained in working with complex patients; patients and their families are happy with services; facilities are superior; and communities would suffer from the loss of a major employer.

- Mental health services should be better funded and expanded. The state lacks psychiatric beds now.

- Good community services, such as housing, are needed to ensure that patients have support when they are discharged.

- Mental health centers, other vendors, counties and state agencies need time to plan alternatives for mental health services.

- Reuse of RTC buildings by other state agencies, including Corrections, should be considered. Space leased by the state elsewhere in the community should be consolidated on the RTC campuses.

- Law enforcement officials expressed frustration with having to respond to crises that could be better managed within an improved, integrated community mental health system.

# V. CONCLUSIONS/RECOMMENDATIONS

A careful analysis of the scenarios, including those deemed most likely to achieve significant savings, concluded that campus consolidation is inconsistent with progress Minnesota has made toward a community-based system of care for people with disabilities. Furthermore, it was found that considerable investment would be needed in the short term to provide quality care for patients while achieving long-term cost savings beyond the 2004-05 biennium. Much of that investment would be in capital renovation having no direct relationship to patient care.

Meanwhile, participants in public meetings expressed a strong interest in expanding the community-based mental health delivery system. A broader array of services, including crisis assistance and interim and long-term housing, they said, would help to ensure people receive the services they need when they need them and as close as possible to their homes and natural supports of family and friends. It was believed that such a system, integrated across both the public and private service providers, would increase consumer choice, improve access to care and produce better outcomes.

With this report, DHS makes the following recommendations for consideration by the 2003 Legislature:

- Counties, working with the DHS Mental Health Division, should further develop the community-based mental health service delivery system.

- Private mental health service providers should be encouraged to increase participation in the community-based mental health system.

- SOS should blend into the community-based system of care when appropriate, capitalizing on the knowledge and expertise of SOS employees.

- In the context of the community-based system mental health system, SOS services should be reconfigured so that maximum revenue can be captured to offset state appropriations.
- Reliance on SOS campus-based mental health services should be reduced as community-based services are developed.

- Community-based care should be developed for individuals now served at SOS nursing facilities.

- Regional treatment centers should be transferred to local communities for redevelopment.

# VII. APPENDICES

- Community Forum Agenda, SOS Consolidation Study Packet

- State Operated Services Consolidation Study Community Meeting Minutes

    - October 22, 2002, Willmar, Minnesota
    - October 28, 2002, Walker, Minnesota
    - October 29, 2002, Brainerd, Minnesota
    - November 4, 2002, St. Peter, Minnesota

- Internal Employee Meeting Minutes

- Minutes of State Operated Services/Labor Management Meetings

    - September 13, 2002
    - September 30, 2002
    - October 11, 2002

- Minutes of County Human Services Directors Representative Group and State Operated Services

    - September 11, 2002
    - October 17, 2002

NOTE: If not included with this report, copies of appendices available upon request by calling (651) 582-1803.

# Community Forum Agenda
# SOS Consolidation Study

4:00-5:30 p.m.

I. Welcome..... Diane Lynch, Facilitator

II. Introduction and Intent .....Mike Tessneer, Acting Assistant Commissioner

- Legislation
- Guiding Principles
- Criteria

III. Data Formats and Scenarios .....Rod Kornrumpf, Regional Administrator

IV. Public Feedback and Commentary .....Diane Lynch

V. Follow-up Information and Closing ..... Mike Tessneer

**Minnesota Session Laws, 2002, Chapter 374, Article 9, Sec. 2, subd.4**
*The commissioner of human services, in consultation with community representatives, shall evaluate strategies to consolidate the delivery of state-operated services. Strategies shall be considered in the context of other community-based services options. By January 15,2003, the commissioner shall provide recommendations to the 2003 Legislature that result from this evaluation.*

**Principles for Consolidation of State Operated Services Campuses**

**I** **We are committed to providing high quality, cost efficient healthcare that produces positive outcomes to the people we serve**

**II** **Services to our target populations will not by reduced by consolidation of State Operated Services campuses**

**III** **State Operated Service capacity will be maintained through creative care provision via state, county, community partnership development**

**IV** **We will maintain acceptable levels of administration and monitoring so outcomes for clients are not compromised**

**V** **We will actively consult/collaborate with counties and other stakeholders in the planning and implementation of any changes of SOS services**

**VI** **We will be open to changing how SOS performs its role in safety net services; to new ways of partnering, organizing, and financing, to become more efficient and effective**

**VII** **We will operate efficiently/effectively within our appropriated businesses**

**VIII** **We recognize the economic impact the SOS system has on its host communities and we will work with our host communities to study the potential consolidation scenarios and their potential impact.**

**IX** **Consolidation discussions will focus only on appropriation-funded services (Adult MI, Nursing Home, Forensics) and not on enterprise-funded (Adolescents, CD, SOCS/TBI) services.**

**Criteria for Consolidation of State Operated Services Campuses**

**I Maximize the ability of SOS to provide programmatic effectiveness/efficiencies in terms of:**

- **Economies of scale in professional staff utilization and coverage**
- **Benefits realized by proximity developed through shared locations**
- **Reduced staff travel time through closer programmatic proximity**
- **Increased utilization of technology**

**II Maximize operational efficiencies**

- **Reductions in fixed overheads and maximization of variable expenses**
- **Maximization of space utilization**
- **Maximization of support utilization**
- **Maximization of administrative utilization**

**III Minimize disruptions to accessibility to services for patients and stakeholders (i.e. families, law enforcement, courts)**

- **Assure travel distances are not increasingly untenable for appropriate therapeutic interaction of patient and significant others**
- **Develop a set of current accessibility standards based on specialty vs. primary care services and sensitivity to increased travel distance for higher specialty care**

**IV Minimize negative community impacts on host communities (vacating and accepting communities)**

- **Employment, taxes, housing, etc**
- **Potential change via re-use**
- **Number of people, patients and staff that would actually be affected**

**State Operated Services**
**Summary of Changes per Scenario**

| | AGCC to Brainerd Scenario One | Brainerd to AGCC Scenario Two | Willmar to St. Peter Scenario Three | St. Peter to Willmar Scenario Four | Anoka to Willmar Scenario Five |
|---|---|---|---|---|---|
| Original Overhead | $ 46,980 | $ 39,515 | $ 30,358 | $ 56,127 | $ 56,127 |
| Scenario Overhead | $ 36,025 | $ 39,826 | $ 29,795 | $ 43,925 | $ 33,731 |
| Net Change in Overhead per scenario | $ 10,955 | $ (311) | $ 563 | $ 12,202 | $ 22,396 |
| Utilitized Beds per Scenario | 183 | 183 | 137 | 137 | 280 |
| Savings per Scenario | $ 2,004,765 | $ (56,913) | $ 77,131 | $ 1,671,674 | $ 6,270,880 |
| Less: | | | | | |
| Cost of Maintaining Vacant Space | $ 1,117,000 | $ - | $ 1,200,700 | $ - | $ 1,097,500 |
| First Year MoU Costs | $ 2,630,000 | $ 639,000 | $ 3,451,000 | $ 2,016,000 | $ 6,701,000 |
| Total Reductions to Savings | $ 3,747,000 | $ 639,000 | $ 4,651,700 | $ 2,016,000 | $ 7,798,500 |
| Net Savings first year | $ (1,742,235) | $ (695,913) | $ (4,574,569) | $ (344,326) | $ (1,527,620) |
| Capital Cost of Renovation | $ 15,000,000 | $ 2,700,000 | $ 7,600,000 | $ 5,500,000 | $ 19,200,000 |

## State Operated Services
## Summary of Changes per Scenario One

## Ah Gwah Ching Center Consolidation into Brainerd Human Services Center

| | | |
|---|---|---|
| Original Overhead | $ | 46,980 |
| Scenario Overhead | $ | 36,025 |
| Net Change in Overhead per scenario | $ | 10,955 |
| | | |
| Utilized Beds per Scenario | | 183 |
| | | |
| Savings per Scenario | $ | 2,004,765 |
| | | |
| Less: | | |
| Cost of Maintaining Vacant Space | $ | 1,117,000 |
| First Year MoU Costs | $ | 2,630,000 |
| Total Reductions to Savings | $ | 3,747,000 |
| | | |
| Net Savings first year | $ | (1,742,235) |
| | | |
| Capital Cost of Renovation | $ | 15,000,000 |

*Formula: Net Change in Overhead per Scenario x Utilized Beds

## State Operated Services
## Summary of Changes per Scenario Two

## Woodhaven  Consolidation into Ah-Gwah-Ching Center

| | | |
|---|---|---|
| Original Overhead | $ | 39,515 |
| Scenario Overhead | $ | 39,826 |
| Net Change in Overhead per scenario | $ | (311) |
| | | |
| Utilized Beds per Scenario | | 183 |
| | | |
| Savings per Scenario | $ | (56,913) |
| | | |
| Less: | | |
| Cost of Maintaining Vacant Space | $ | - |
| First Year MoU Costs | $ | 639,000 |
| Total Reductions to Savings | $ | 639,000 |
| | | |
| Net Savings first year | $ | (695,913) |
| | | |
| Capital Cost of Renovation | $ | 2,700,000 |

*Formula: Net Change in Overhead per Scenario x Utilized Beds

## State Operated Services
## Summary of Changes per Scenario Three

### Willmar Regional Treatment Center  Consolidation into St. Peter Regional Treatment Center

| | | |
|---|---|---|
| Original Overhead | $ | 30,358 |
| Scenario Overhead | $ | 29,795 |
| Net Change in Overhead per scenario | $ | 563 |
| | | |
| Utilized Beds per Scenario | | 137 |
| | | |
| Savings per Scenario | $ | 77,131 |
| | | |
| Less: | | |
| Cost of Maintaining Vacant Space | $ | 1,200,700 |
| First Year MoU Costs | $ | 3,451,000 |
| Total Reductions to Savings | $ | 4,651,700 |
| | | |
| Net Savings first year | $ | (4,574,569) |
| | | |
| Capital Cost of Renovation | $ | 7,600,000 |

*Formula: Net Change in Overhead per Scenario x Utilized Beds

## State Operated Services
## Summary of Changes per Scenario Four

## St. Peter Regional Treatment Center Consolidation into Willmar Regional Treatment Center

| | | |
|---|---|---|
| Original Overhead | $ | 56,127 |
| Scenario Overhead | $ | 43,925 |
| Net Change in Overhead per scenario | $ | 12,202 |
| | | |
| Utilized Beds per Scenario | | 137 |
| | | |
| Savings per Scenario | $ | 1,671,674 |
| | | |
| Less: | | |
| Cost of Maintaining Vacant Space | $ | - |
| First Year MoU Costs | $ | 2,016,000 |
| Total Reductions to Savings | $ | 2,016,000 |
| | | |
| Net Savings first year | $ | (344,326) |
| | | |
| Capital Cost of Renovation | $ | 5,500,000 |

*Formula: Net Change in Overhead per Scenario x Utilized Beds

## State Operated Services
## Summary of Changes per Scenario Five

## Anoka Regional Treatment Center Consolidation into Willmar Regional Treatment Center

| | | |
|---|---|---|
| Original Overhead | $ | 56,127 |
| Scenario Overhead | $ | 33,731 |
| Net Change in Overhead per scenario | $ | 22,396 |
| | | |
| Utilized Beds per Scenario | | 280 |
| | | |
| Savings per Scenario | $ | 6,270,880 |
| | | |
| Less: | | |
| Cost of Maintaining Vacant Space | $ | 1,097,500 |
| First Year MoU Costs | $ | 6,701,000 |
| Total Reductions to Savings | $ | 7,798,500 |
| | | |
| Net Savings first year | $ | (1,527,620) |
| | | |
| Capital Cost of Renovation | $ | 19,200,000 |

*Formula: Net Change in Overhead per Scenario x Utilized Beds


# Minnesota State Operated Services

## Fact Sheet
### FY03

| Ah-Gwah-Ching Center | |
|---|---|
| *Population ADC/Utilized Beds | |
| Adult MI | 0 |
| Nursing Home | 144/155 |
| Forensic | 0 |
| Total Usable Building(s) sq/ft | 257,531 |
| SOS - Utilized capacity | 80% |
| *FTE by Program | |
| Adult MI | 0.0 |
| * MHI | 0.0 |
| Nursing Home | 133.2 |
| Forensic | |
| Campus Support | 68.0 |
| *Overheads | |
| Adult MI | $0 |
| Nursing Home | $39,515 |
| Forensic | $0 |

| Brainerd Regional Human Services | |
|---|---|
| *Population ADC/Utilized Beds | |
| Adult MI | 93/96 |
| Nursing Home | 26/28 |
| Forensic | 0 |
| Total Usable Building(s) sq/ft | 699,617 |
| SOS - Utilized capacity | 56% |
| *FTE by Program | |
| Adult MI | 119.1 |
| * MHI | 10.3 |
| Nursing Home | 21.1 |
| Forensic | 0.0 |
| Campus Support | 91.4 |
| *Overheads | |
| Adult MI | $50,553 |
| Nursing Home | $46,980 |
| Forensic | $0 |

| Willmar Regional Treatment Center | |
|---|---|
| *Population ADC/Utilized Beds | |
| Adult MI | 71/80 |
| Nursing Home | 0 |
| Forensic | 0 |
| Total Usable Building(s) sq/ft | 583,664 |
| SOS - Utilized capacity | 56% |
| *FTE by Program | |
| Adult MI | 125.7 |
| * MHI | 37.3 |
| Nursing Home | 0.0 |
| Forensic | 0.0 |
| Campus Support | 62.1 |
| *Overheads | |
| Adult MI | $56,127 |
| Nursing Home | $0 |
| Forensic | $0 |

| St. Peter Regional Treatment Center | |
|---|---|
| *Population ADC/Utilized Beds | |
| Adult MI | 50/57 |
| Nursing Home | 0 |
| Forensic | 266/312 |
| Total Usable Building(s) sq/ft | 840,650 |
| SOS - Utilized capacity | 75% |
| *FTE by Program | |
| Adult MI | 86.3 |
| * MHI | 42.0 |
| Nursing Home | 0.0 |
| Forensic | 346.0 |
| Campus Support | 159.9 |
| *Overheads | |
| Adult MI | $30,358 |
| Nursing Home | $0 |
| Forensic | $44,254 |

| METO | |
|---|---|
| *Population ADC/Utilized Beds | |
| Adult MI | 0 |
| Nursing Home | 0 |
| Forensic | 39/48 |
| Total Usable Building(s) sq/ft | 213,225 |
| SOS - Utilized capacity | 72% |
| *FTE by Program | |
| Adult MI | 0.0 |
| * MHI | 0.0 |
| Nursing Home | 0.0 |
| Forensic | 130.0 |
| Campus Support | 16.6 |
| *Overheads | |
| Adult MI | $0 |
| Nursing Home | $0 |
| Forensic | $53,504 |

| Minnesota Sex Offender Program | |
|---|---|
| *Population ADC/Utilized Beds | |
| Adult MI | 0 |
| Nursing Home | 0 |
| Forensic | 145/150 |
| Total Usable Building(s) sq/ft | 154,640 |
| SOS - Utilized capacity | 100% |
| *FTE by Program | |
| Adult MI | 0.0 |
| * MHI | 0.0 |
| Nursing Home | 0.0 |
| Forensic | 190.6 |
| Campus Support | 28.8 |
| *Overheads | |
| Adult MI | $0 |
| Nursing Home | $0 |
| Forensic | $30,961 |

| Fergus Falls | |
|---|---|
| *Population ADC/Utilized Beds | |
| Adult MI | 61/68 |
| Nursing Home | 0 |
| Forensic | 0 |
| Total Usable Building(s) sq/ft | 755,713 |
| SOS - Utilized capacity | 35% |
| *FTE by Program | |
| Adult MI | 89.4 |
| * MHI | 20.8 |
| Nursing Home | 0.0 |
| Forensic | 0.0 |
| Campus Support | 34.8 |
| *Overheads | |
| Adult MI | $46,129 |
| Nursing Home | $0 |
| Forensic | $0 |

| Anoka | |
|---|---|
| *Population ADC/Utilized Beds | |
| Adult MI | 184/200 |
| Nursing Home | 0 |
| Forensic | 0 |
| Total Usable Building(s) sq/ft | 399,377 |
| SOS - Utilized capacity | 87% |
| *FTE by Program | |
| Adult MI | 233.8 |
| * MHI | 100.8 |
| Nursing Home | 0.0 |
| Forensic | 0.0 |
| Campus Support | 100.9 |
| *Overheads | |
| Adult MI | $36,728 |
| Nursing Home | $0 |
| Forensic | $0 |

*FTE - Full Time Employee
*ADC - Average Daily Census (Budget FY03, based on FY02 Utilization)
*MHI - Mental Health Initiative (not impacted by Consolidations)
*Overheads by program/bed/year include: Support Cost-Administrative Cost-Regional Cost
*Over the long term a reduction in costs will reduce charges to payors -ie:Counties && Medicare
*Annual cost associated with maintaining vacant space: Security, Boiler Operators, Buildings/Grounds Maintenance, Plant Maintenance Engineer.

(2/25/2003)

# Minnesota State Operated Services
# Scenario - One

## Ah-Gwah-Ching Center consolidated into Brainerd Regional Human Services Center Campus

## FY03 Budgeted

| Present Status | | Changed Status | | Changed Status | | Present Status | |
|---|---|---|---|---|---|---|---|
| ***Ah-Gwah-Ching Center*** | | ***Ah-Gwah-Ching Center*** | | ***Brainerd Regional Human Services Center Campus*** | | ***Brainerd Regional Human Services Center Campus*** | |
| *Population ADC/Utilized Beds | | *Population ADC/Utlized Beds | | *Population ADC/Utlized Beds | | *Population ADC/Utilized Beds | |
| Adult MI | 0 | Adult MI | 0 | Adult MI | 93/96 | Adult MI | 93/96 |
| Nursing Home | 144/155 | Nursing Home | 0 | Nursing Home | 170/183 | Nursing Home | 26/28 |
| Forensic | 0 | Forensic | 0 | Forensic | 0 | Forensic | 0 |
| Total Usable Building(s) sq/ft | 257,531 | Total Usable Building(s) sq/ft | 257,531 | Total Usable Building(s) sq/ft | 699,617 | Total Usable Building(s) sq/ft | 699,617 |
| SOS - Utilized capacity | 80% | SOS - Utilized capacity | 0% | SOS - Utilized capacity | 68% | SOS - Utilized capacity | 56% |
| FTE by Program | | Capital Costs | $0 | Capital Costs | $15 Mil | FTE by Program | |
| Adult MI | 0.0 | FTE by Program | | FTE by Program | | Adult MI | 119.1 |
| * MHI | 0.0 | Adult MI | 0.0 | Adult MI | 119.1 | * MHI | 10.3 |
| Nursing Home | 133.2 | * MHI | 0.0 | * MHI | 10.3 | Nursing Home | 21.1 |
| Forensic | 0.0 | Nursing Home | 0.0 | Nursing Home | 154.3 | Forensic | 0.0 |
| Campus Support | 68.0 | Forensic | 0.0 | Forensic | 0.0 | Campus Support | 91.4 |
| *Overheads | | Campus Support | 10.0 | Campus Support | 136.4 | *Overheads | |
| Adult MI | $0 | Overheads Per Scenario | | Overheads Per Scenario | | Adult MI | $50,553 |
| Nursing Home | $39,515 | Adult MI | $0 | Adult MI | $43,308 | Nursing Home | $46,980 |
| Forensic | $0 | Nursing Home | $0 | Nursing Home | $36,025 | Forensic | $0 |
| | | Forensic | $0 | Forensic | N/A | | |
| | | Effect on Enterprise Operating Costs | No | Effect on Enterprise Operating Costs | No | | |
| | | Cost of Maintaining Vacant Space | $1,117,000 | | | | |

*FTE - Full Time Employee
*ADC - Average Daily Census (Budget FY03, based on FY02 Utilization)
*MHI - Mental Health Initiative (not impacted by Consolidations)
*Overheads by program/bed/year include: Support Cost-Administrative Cost-Regional Cost
*Over the long term a reduction in costs will reduce charges to payors -ie:Counties && Medicare
*Annual cost associated with maintaining vacant space: Security, Boiler Operators, Buildings/Grounds Maintenance, Plant Maintenance Engineer.
*Capital Costs - Based on remodeled space at $96,000 per bed.

(2/25/2003)

## State Operated Services
## Summary of Changes per Scenario One

## Ah Gwah Ching Center Consolidation into Brainerd Human Services Center

| | | |
|---|---|---|
| Original Overhead | $ | 46,980 |
| Scenario Overhead | $ | 36,025 |
| Net Change in Overhead per scenario | $ | 10,955 |
| | | |
| Utilized Beds per Scenario | | 183 |
| | | |
| Savings per Scenario | $ | 2,004,765 |
| | | |
| Less: | | |
| Cost of Maintaining Vacant Space | $ | 1,117,000 |
| First Year MoU Costs | $ | 2,630,000 |
| Total Reductions to Savings | $ | 3,747,000 |
| | | |
| Net Savings first year | $ | (1,742,235) |
| | | |
| Capital Cost of Renovation | $ | 15,000,000 |

*Formula: Net Change in Overhead per Scenario x Utilized Beds

# Minnesota State Operated Services
# Scenario - Two

## Woodhaven (on Brainerd Campus) consolidated into Ah-Gwah-Ching Center Campus

## FY03 Budgeted

| Present Status | | Changed Status | | Changed Status | | Present Status | |
|---|---|---|---|---|---|---|---|
| ***Woodhaven (on Brainerd Campus)*** | | ***Woodhaven (on Brainerd Campus)*** | | ***Ah-Gwah-Ching Center Campus*** | | ***Ah-Gwah-Ching Center Campus*** | |
| *Population ADC/Utilized Beds | | *Population ADC/Utilized Beds | | *Population ADC/Utilized Beds | | *Population ADC/Utilized Beds | |
| Adult MI | 93/96 | Adult MI | 93/96 | Adult MI | 0 | Adult MI | 0 |
| Nursing Home | 26/28 | Nursing Home | 0 | Nursing Home | 170/183 | Nursing Home | 144/155 |
| Forensic | 0 | Forensic | 0 | Forensic | 0 | Forensic | 0 |
| Total Usable Building(s) sq/ft | 699,617 | Total Usable Building(s) sq/ft | 699,617 | Total Usable Building(s) sq/ft | 257,531 | Total Usable Building(s) sq/ft | 257,531 |
| SOS - Utilized capacity | 56% | SOS - Utilized capacity | 55% | SOS - Utilized capacity | 83% | SOS - Utilized capacity | 80% |
| FTE by Program | | Capital Costs | $0 | Capital Costs | $2.7Mil | FTE by Program | |
| Adult MI | 119.1 | FTE by Program | | FTE by Program | | Adult MI | 0.0 |
| * MHI | 10.3 | Adult MI | 119.1 | Adult MI | 0.0 | * MHI | 0.0 |
| Nursing Home | 21.1 | * MHI | 10.3 | * MHI | 0.0 | Nursing Home | 133.2 |
| Forensic | 0.0 | Nursing Home | 0.0 | Nursing Home | 154.3 | Forensic | 0.0 |
| Campus Support | 91.4 | Forensic | 0.0 | Forensic | 0.0 | Campus Support | 68.0 |
| *Overheads | | Campus Support | 76.4 | Campus Support | 83.0 | *Overheads | |
| Adult MI | $50,553 | Overheads Per Scenario | | Overheads Per Scenario | | Adult MI | $0 |
| Nursing Home | $46,980 | Adult MI | $50,553 | Adult MI | $0 | Nursing Home | $39,515 |
| Forensic | $0 | Nursing Home | $0 | Nursing Home | $39,826 | Forensic | $0 |
| | | Forensic | $0 | Forensic | $0 | | |
| | | Effect on Enterprise Operating Costs | No | Effect on Enterprise Operating Costs | No | | |
| | | Cost of Maintaining Vacant Space | $0 | | | | |

*FTE - Full Time Employee
*ADC - Average Daily Census (Budget FY03, based on FY02 Utilization)
*MHI - Mental Health Initiative (not impacted by Consolidations)
*Overheads by program/bed/year include: Support Cost-Administrative Cost-Regional Cost
*Over the long term a reduction in costs will reduce charges to payors -ie:Counties && Medicare
*Annual cost associated with maintaining vacant space: Security, Boiler Operators, Buildings/Grounds Maintenance, Plant Maintenance Engineer.
*Capital Costs - Based on remodeled space at $96,000 per bed.

(2/25/2003)

## State Operated Services
## Summary of Changes per Scenario Two

## Woodhaven  Consolidation into Ah-Gwah-Ching Center

| | | |
|---|---|---|
| Original Overhead | $ | 39,515 |
| Scenario Overhead | $ | 39,826 |
| Net Change in Overhead per scenario | $ | (311) |
| | | |
| Utilized Beds per Scenario | | 183 |
| | | |
| Savings per Scenario | $ | (56,913) |
| | | |
| Less: | | |
| Cost of Maintaining Vacant Space | $ | - |
| First Year MoU Costs | $ | 639,000 |
| Total Reductions to Savings | $ | 639,000 |
| | | |
| Net Savings first year | $ | (695,913) |
| | | |
| Capital Cost of Renovation | $ | 2,700,000 |

*Formula: Net Change in Overhead per Scenario x Utilized Beds

# Minnesota State Operated Services
## Scenario - Three
### Willmar Regional Treatment Center consolidated into St. Peter Regional Treatment Center (Open) Campus
## FY03 Budgeted

| Present Status | | Changed Status | | Changed Status | | Present Status | |
|---|---|---|---|---|---|---|---|
| ***Willmar Regional Treatment Center*** | | ***Willmar Regional Treatment Center*** | | ***St. Peter Regional Treatment Center*** | | ***St. Peter Regional Treatment Center*** | |
| *Population ADC/Utilized Beds | | *Population ADC/Utilized Beds | | *Population ADC/Utilized Beds | | *Population ADC/Utilized Beds | |
| Adult MI | 71/80 | Adult MI | 0 | Adult MI | 121/137 | Adult MI | 50/57 |
| Nursing Home | 0 | Nursing Home | 0 | Nursing Home | 0 | Nursing Home | 0 |
| Forensic | 0 | Forensic | 0 | Forensic | 266/312 | Forensic | 266/312 |
| Total Usable Building(s) sq/ft | 583,664 | Total Usable Building(s) sq/ft | 583,664 | Total Usable Building(s) sq/ft | 840,650 | Total Usable Building(s) sq/ft | 840,650 |
| SOS - Utilized capacity | 56% | S0S - Utilized capacity | 0% | S0S - Utilized capacity | 83% | S0S - Utilized capacity | 75% |
| FTE by Program | | Capital Costs | $0 | Capital Costs | $7.6 Mil | FTE by Program | |
| Adult MI | 125.7 | FTE by Program | | FTE by Program | | Adult MI | 86.3 |
| * MHI | 37.3 | Adult MI | 0.0 | Adult MI | 212.0 | * MHI | 42.0 |
| Nursing Home | 0.0 | * MHI | 37.3 | * MHI | 42.0 | Nursing Home | 0.0 |
| Forensic | 0.0 | Nursing Home | 0.0 | Nursing Home | 0.0 | Forensic | 346.0 |
| Campus Support | 62.1 | Forensic | 0.0 | Forensic | 346.0 | Campus Support | 159.9 |
| *Overheads | | Campus Support | 12.0 | Campus Support | 183.9 | *Overheads | |
| Adult MI | $56,127 | Overheads Per Scenario | | Overheads Per Scenario | | Adult MI | $30,358 |
| Nursing Home | $0 | Adult MI | $0 | Adult MI | $29,795 | Nursing Home | $0 |
| Forensic | $0 | Nursing Home | $0 | Nursing Home | $0 | Forensic | $44,254 |
| | | Forensic | $0 | Forensic | $44,254 | | |
| | | Effect on Enterprise Operating Costs | No | Effect on Enterprise Operating Costs | No | | |
| | | Cost of Maintaining Vacant Space | $1,200,700 | | | | |

*FTE - Full Time Employee
*ADC - Average Daily Census (Budget FY03, based on FY02 Utilization)
*MHI - Mental Health Initiative (not impacted by Consolidations)
*Overheads by program/bed/year include: Support Cost-Administrative Cost-Regional Cost
*Over the long term a reduction in costs will reduce charges to payors -ie:Counties && Medicare
*Annual cost associated with maintaining vacant space: Security, Boiler Operators, Buildings/Grounds Maintenance, Plant Maintenance Engineer.
*Capital Costs - Based on remodeled space at $96,000 per bed.

(2/25/2003)

## State Operated Services
## Summary of Changes per Scenario Three

### Willmar Regional Treatment Center  Consolidation into St. Peter Regional Treatment Center

| | | |
|---|---|---|
| Original Overhead | $ | 30,358 |
| Scenario Overhead | $ | 29,795 |
| Net Change in Overhead per scenario | $ | 563 |
| | | |
| Utilized Beds per Scenario | | 137 |
| | | |
| Savings per Scenario | $ | 77,131 |
| | | |
| Less: | | |
| Cost of Maintaining Vacant Space | $ | 1,200,700 |
| First Year MoU Costs | $ | 3,451,000 |
| Total Reductions to Savings | $ | 4,651,700 |
| | | |
| Net Savings first year | $ | (4,574,569) |
| | | |
| Capital Cost of Renovation | $ | 7,600,000 |

*Formula: Net Change in Overhead per Scenario x Utilized Beds


# Minnesota State Operated Services
## Scenario - Four
### St. Peter Regional Treatment Center (Open) consolidated into Willmar Regional Treatment Center Campus
## FY03 Budgeted

| Present Status | | Changed Status | | Changed Status | | Present Status | |
|---|---|---|---|---|---|---|---|
| ***St. Peter Regional Treatment Center*** | | ***St. Peter Regional Treatment Center*** | | ***Willmar Regional Treatment Center*** | | ***Willmar Regional Treatment Center*** | |
| *Population ADC/Utilized Beds | | *Population ADC/Utilized Beds | | *Population ADC/Utilized Beds | | *Population ADC/Utilized Beds | |
| Adult MI | 50/57 | Adult MI | 0 | Adult MI | 121/137 | Adult MI | 71/80 |
| Nursing Home | 0 | Nursing Home | 0 | Nursing Home | 0 | Nursing Home | 0 |
| Forensic | 266/312 | Forensic | 266/312 | Forensic | 0 | Forensic | 0 |
| Total Usable Building(s) sq/ft | 840,650 | Total Usable Building(s) sq/ft | 840,650 | Total Usable Building(s) sq/ft | 583,664 | Total Usable Building(s) sq/ft | 583,664 |
| SOS - Utilized capacity | 75% | S0S - Utilized capacity | 71% | S0S - Utilized capacity | 62% | S0S - Utilized capacity | 56% |
| FTE by Program | | Capital Costs | $0 | Capital Costs | $5.5Mil | FTE by Program | |
| Adult MI | 86.3 | FTE by Program | | FTE by Program | | Adult MI | 125.7 |
| * MHI | 42.0 | Adult MI | 0.0 | Adult MI | 212.0 | * MHI | 37.3 |
| Nursing Home | 0.0 | * MHI | 42.0 | * MHI | 37.3 | Nursing Home | 0.0 |
| Forensic | 346.0 | Nursing Home | 0.0 | Nursing Home | 0.0 | Forensic | 0.0 |
| Campus Support | 159.9 | Forensic | 346.0 | Forensic | 0.0 | Campus Support | 62.1 |
| *Overheads | | Campus Support | 144.9 | Campus Support | 77.1 | *Overheads | |
| Adult MI | $30,358 | Overheads Per Scenario | | Overheads Per Scenario | | Adult MI | $56,127 |
| Nursing Home | $0 | Adult MI | $0 | Adult MI | $43,925 | Nursing Home | $0 |
| Forensic | $44,254 | Nursing Home | $0 | Nursing Home | $0 | Forensic | $0 |
| | | Forensic | $44,254 | Forensic | $0 | | |
| | | Effect on Enterprise Operating Costs | No | Effect on Enterprise Operating Costs | No | | |
| | | Cost of Maintaining Vacant Space | $0 | | | | |

*FTE - Full Time Employee
*ADC - Average Daily Census (Budget FY03, based on FY02 Utilization)
*MHI - Mental Health Initiative (not impacted by Consolidations)
*Overheads by program/bed/year include: Support Cost-Administrative Cost-Regional Cost
*Over the long term a reduction in costs will reduce charges to payors -ie:Counties && Medicare
*Annual cost associated with maintaining vacant space: Security, Boiler Operators, Buildings/Grounds Maintenance, Plant Maintenance Engineer.
*Capital Costs - Based on remodeled space at $96,000 per bed.

(2/25/2003)

## State Operated Services
## Summary of Changes per Scenario Four

### St. Peter Regional Treatment Center Consolidation into Willmar Regional Treatment Center

| | | |
|---|---|---|
| Original Overhead | $ | 56,127 |
| Scenario Overhead | $ | 43,925 |
| Net Change in Overhead per scenario | $ | 12,202 |
| | | |
| Utilized Beds per Scenario | | 137 |
| | | |
| Savings per Scenario | $ | 1,671,674 |
| | | |
| Less: | | |
| Cost of Maintaining Vacant Space | $ | - |
| First Year MoU Costs | $ | 2,016,000 |
| Total Reductions to Savings | $ | 2,016,000 |
| | | |
| Net Savings first year | $ | (344,326) |
| | | |
| Capital Cost of Renovation | $ | 5,500,000 |

*Formula: Net Change in Overhead per Scenario x Utilized Beds

# Minnesota State Operated Services
# Scenario - Five
## Anoka Metro Regional Treatment Center consolidated into Willmar Regional Treatment Center Campus
## FY03 Budgeted

| Present Status | | Changed Status | | Changed Status | | Present Status | |
|---|---|---|---|---|---|---|---|
| ***Anoka Metro Regional Treatment Center*** | | ***Anoka Metro Regional Treatment Center*** | | ***Willmar Regional Treatment Center*** | | ***Willmar Regional Treatment Center*** | |
| *Population ADC/Utilized Beds | | *Population ADC/Utilized Beds | | *Population ADC/Utilized Beds | | *Population ADC/Utilized Beds | |
| Adult MI | 184/200 | Adult MI | 0 | Adult MI | 255/280 | Adult MI | 71/80 |
| Nursing Home | 0 | Nursing Home | 0 | Nursing Home | 0 | Nursing Home | 0 |
| Forensic | 0 | Forensic | 0 | Forensic | 0 | Forensic | 0 |
| Total Usable Building(s) sq/ft | 399,377 | Total Usable Building(s) sq/ft | 399,377 | Total Usable Building(s) sq/ft | 583,664 | Total Usable Building(s) sq/ft | 583,664 |
| SOS - Utilized capacity | 87% | S0S - Utilized capacity | 0% | S0S - Utilized capacity | 78% | S0S - Utilized capacity | 56% |
| FTE by Program | | Capital Costs | $0 | Capital Costs | $19.2 Mil | FTE by Program | |
| Adult MI | 233.8 | FTE by Program | | FTE by Program | | Adult MI | 125.7 |
| * MHI | 100.8 | Adult MI | 0.0 | Adult MI | 359.5 | * MHI | 37.3 |
| Nursing Home | 0.0 | * MHI | 100.8 | * MHI | 37.3 | Nursing Home | 0.0 |
| Forensic | 0.0 | Nursing Home | 0.0 | Nursing Home | 0.0 | Forensic | 0.0 |
| Campus Support | 100.9 | Forensic | 0.0 | Forensic | 0.0 | Campus Support | 62.1 |
| *Overheads | | Campus Support | 10.0 | Campus Support | 122.1 | *Overheads | |
| Adult MI | $36,728 | Overheads Per Scenario | | Overheads Per Scenario | | Adult MI | $56,127 |
| Nursing Home | $0 | Adult MI | $0 | Adult MI | $33,731 | Nursing Home | $0 |
| Forensic | $0 | Nursing Home | $0 | Nursing Home | $0 | Forensic | $0 |
| | | Forensic | $0 | Forensic | $0 | | |
| | | Effect on Enterprise Operating Costs | No | Effect on Enterprise Operating Costs | No | | |
| | | Cost of Maintaining Vacant Space | $1,097,500 | | | | |

*FTE - Full Time Employee
*ADC - Average Daily Census (Budget FY03, based on FY02 Utilization)
*MHI - Mental Health Initiative (not impacted by Consolidations)
*Overheads by program/bed/year include: Support Cost-Administrative Cost-Regional Cost
*Over the long term a reduction in costs will reduce charges to payors -ie:Counties && Medicare
*Annual cost associated with maintaining vacant space: Security, Boiler Operators, Buildings/Grounds Maintenance, Plant Maintenance Engineer.
*Capital Costs - Based on remodeled space at $96,000 per bed.

## State Operated Services
## Summary of Changes per Scenario Five

### Anoka Regional Treatment Center Consolidation into Willmar Regional Treatment Center

| | | |
|---|---|---|
| Original Overhead | $ | 56,127 |
| Scenario Overhead | $ | 33,731 |
| Net Change in Overhead per scenario | $ | 22,396 |
| | | |
| Utilized Beds per Scenario | | 280 |
| | | |
| Savings per Scenario | $ | 6,270,880 |
| | | |
| Less: | | |
| Cost of Maintaining Vacant Space | $ | 1,097,500 |
| First Year MoU Costs | $ | 6,701,000 |
| Total Reductions to Savings | $ | 7,798,500 |
| | | |
| Net Savings first year | $ | (1,527,620) |
| | | |
| Capital Cost of Renovation | $ | 19,200,000 |

*Formula: Net Change in Overhead per Scenario x Utilized Beds

# Definitions

**New Beds –** New beds are any beds over the current utilized beds in any scenario.

**Vacant Space** – Space that is vacant when the appropriated program(s) leave.

**Non-Functional Space -** his represents space (a building) that is considered to have served its useful life. In most cases buildings identified as non-functional have not been maintained or heated for many years, and would not be cost effective to remodel for any purpose. These buildings are generally considered candidates for demolition.

**Maintenance of Vacant Space** – Represents staff, fuel/utilities, and allowances for supplies, equipment repairs/parts required to provide basic facility maintenance and security for a campus that would become vacant as a result of the implementation of one of the consolidation scenarios. Figures included on the scenario page represent for maintenance of vacant space reflect the estimated cost for one fiscal year. It should be noted that it will likely take more than one fiscal year to dispose of this surplus property.

**6 Year Project Plans** – These are lists of projects that each facility develops to identify capital improvement, asset preservation and major repair and replacement projects required to maintain and upgrade/improve its physical plant assets. This list of projects is generally updated on an annual basis.

# State Operated Services
# FY 03 Consolidation Report Scenarios
# Definitions

**Program Full Time Equivalents (FTEs)**

FY 03 budgeted FTEs, generally patient care and treatment, including Human Services Technicians, Licensed Practical Nurses, Registered Nurses, physicians, therapists, pharmacy, lab, social work, psychology, and some clerical and related administration and supervision positions.

**Campus Support FTEs**

FY 03 budgeted FTEs, generally traditional support, including building and grounds, dietary, laundry, trades, administration, clerical and other related positions

**Overhead Costs**

Overhead costs include overhead and indirect costs of operating the campus.

Overhead Costs –FY 03 budgeted cost of campus support FTEs, food, non-medical supplies (maintenance, office and dietary supplies for example), utilities, building repair and maintenance, mileage, regional overhead, system wide overhead (including human resources, staff development, business office and information systems) and other campus costs.

Indirect Costs – include Statewide and DHS overheads, building and equipment depreciation and bond interest.

**Appropriated Programs**

Operations funded through an allocation from the State's General Fund. As the State's general fund budget is required to balance at the end of the biennium, available funds for allocation will vary from year to year.

Operations under this funding source include:

- Adult Mental Health
- Nursing Home
- Forensics
- Minnesota Sex Offender Program
- Crisis Support Services

# State Operated Services
# FY 03 Consolidation Report Scenarios
# Definitions

**Appropriated Programs (continued)**

- Intensive Care Facilities for Mental Retardation (ICF/MR)
- Minnesota Extended Treatment Option (METO)

**Enterprise Programs**

Operations that are financed and operated in a manner similar to private business enterprises and where the cost of providing goods or services to the general public are recovered primarily through charges to users. In SOS, programs that operate under the enterprise funding model include:

- Developmental Disabilities State Operated Community Services (DDSOCS)
- Chemical Dependency Services* (CD)
- Traumatic Brain Injury Program (TBI)
- Adolescent Mental Health (As of 7/1/02)

*Medallion program at Willmar moves to enterprise effective 1/1/03.

# State Operated Services
# FY 2003 Physical Plant Assumptions

Capital Costs – Each scenario that has Capital costs associated with it assumes that we will receive funding from Legislature for these projects.

Project Time Frames – Time frames to complete remodeling for the development/remodeling for beds in any scenario will be 30 months after funding is received.

Vacant Space – Costs associated with maintaining vacant space represent salaries, fuel/utilities, and allowances for supplies, equipment repairs and parts associated with providing maintenance and security for the campus for one fiscal year. It should be assumed that it might take longer than one year to dispose of this surplus property.

New Beds – Costs associated with development of new beds or remodeling of existing space for transferred beds is based on historical costs for these types of remodeling costs. *New beds are beds that are being transferred over and above the current utilized bed count at the host facility*. Based on square footage and the scope of work the estimated capital cost for developing these additional beds averages $96,000 per bed.

Licensed Beds – It is assumed that the current licensed utilized beds at each facility are functional and there will no cost associated with upgrading the space where these beds are located.

Program Relocation – In some scenarios, it may be preferable to relocate existing programs at a facility to maximize efficiencies for transferred beds. Costs associated with relocation of these programs have not been calculated for this study, and is not included in the estimated capital costs on the scenario sheets.

6 Year Project Planning – Existing 6-year capital and maintenance plans do not include projects required to facilitate any of the consolidation scenarios. Like wise, the capital costs outlined in the scenarios do not include any projects proposed and or outlined in the 6-year capital and maintenance plan (i.e., long range patient space remodeling at AGC).

Enterprise & Non-Appropriated Programs – Enterprise program's space utilization is not included in the utilized space square footage figures, or the utilized space capacity figures.

**Moose Lake Case Study**

The summary provides an overview of the results of replacing the Moose Lake Regional Treatment Center with alternative community-based mental health services, including State Operated Services (SOS), community-based programs and inpatient mental health treatment in community hospitals.

## Background

The 1993 Legislature passed legislation to transition Moose Lake Regional Treatment Center (MLRTC) from a psychiatric hospital to a 100-bed facility for persons with psychopathic personality disorders. In addition, a 500-bed medium security prison was to be developed at the site. The legislation closing MLRTC also called for creation of an enhanced community infrastructure in the 11 county Moose Lake catchment area to replace the psychiatric capacity at MLRTC. This enhanced capacity included:

- Local creation and enhancement of community mental health infrastructure, utilizing about $3 million per year in new state appropriations for non-inpatient, non-residential services;
- Development of State Operated Services (SOS) to provide inpatient, outreach, crisis support, transition and other services to people with mental illness;
- Implementation of community hospital contracted beds to provide inpatient services for persons with mental illness;
- Development of additional inpatient capacity at Brainerd Regional Human Services Center.

The purpose of this new capacity was to provide an enhanced community-based mental health infrastructure replacing the RTC that would be as effective and efficient as existed previously and, if possible, provide more and improved service options.

## The Transition

Planning for the Moose Lake transition started prior to the expected legislation, continued during closure of the facility and implementation of the enhanced infrastructure, and is ongoing in the form of monitoring, planning, technical assistance and adjustment.

### Regional Planning

A transitional work plan was collaboratively developed by the Department of Human Services (DHS) and the 11 county catchment area social services directors to define tasks, identify lead persons and develop community services. Regional meetings were held at MLRTC with state, county and public and private providers for the purpose of planning, coordination and collaboration.

### County Planning

A key component of the transition was the provision of flexible funding to the 11 counties in the Moose Lake catchment area to enhance existing programs and create new services to meet the needs of persons who had been discharged from MLRTC at its closure or who would have been admitted to the facility had it been available.

A total allocation of $2.2 million per year in new mental health funding was divided among the 11 counties according to a formula agreed upon by the county social

services directors. Each county was charged with developing a flexible funding plan outlining how it would use the available funds.

The five counties in Region 7E planned many of their services collaboratively. St. Louis County instituted parallel planning processes in its north (Range cities) and south (Duluth) areas.

State Operated Services

A central feature of the Moose Lake transition was implementation of community-based State Operated Services in the area. Staffed by mental health professionals and paraprofessionals formerly employed by MLRTC, these programs were intended to fill any gaps in the service array that remained after county social service plans had been implemented. Three SOS programs were implemented as part of the transition.

*Cambridge Outreach Service*-A mental health staff team located in Cambridge, MN, provides intensive wrap-around services and a 24-hour crisis response capacity to the five county area known as Region 7E.

*Duluth Crisis/Transition Unit and Outreach Service*-Bridge House, a 12-bed crisis/transition unit in Duluth, also provides a mobile outreach capacity, mobile crisis intervention, and nursing home consultation.

*Eveleth Health Services Park*-A 15-bed inpatient intermediate care psychiatric unit (up to 90 days) in Eveleth also has one crisis bed and a small mobile outreach team.

Community Hospital Contract Beds

Four community hospitals in the Moose Lake area began providing inpatient psychiatric beds on a contract basis for MA-eligible patients. Those hospitals were:

Cambridge Memorial Hospital in Cambridge
Miller-Dwan Hospital in Duluth
University Medical Center-Mesabi in Hibbing
Itasca Medical Center in Grand Rapids

Patient stays in those inpatient facilities was limited to 45 days or less, following court commitment.

Enhanced Capacity at Brainerd Human Services Center

Thirty additional inpatient psychiatric beds were established at the Brainerd Regional Human Services Center. No further capacity to meet this need has been warranted.

**Outcomes**

A follow-up study by the Minnesota Institute of Public Health in June 1997 concluded the following:

- Replacing MLRTC with an enhanced community mental health infrastructure does not lead to a decrease in the effectiveness of services for persons with serious and persistent mental illness, and in fact, seems to increase the options available to them. In fact, a survey of county and state employees, other mental health providers and contract bed hospitals, concluded that 73% of those asked felt services were better since the RTC closing and only $5 thought they were worse while 7% felt services were the same.

- The Moose Lake area transition has not resulted in an increase in costs of public mental health funding to counties in the region. A 1998 report by the State Department of Human Services showed county spending for the services for the four years (1996-1998) after the transition were 42% less than counties would have spent if the transition had not occurred.
- The range and quality of services has not been limited but has very likely been enhanced by the transition. Survey participants gave as reasons for their belief that services were improved: More and better crisis services, more and better outreach services, improved drop-in and social programs for clients.
- Regarding the planning process assessment, most participants and observers feel the program was a success.

There is a preponderance of evidence that the Moose Lake area transition has been and continues to be successful. Client clinical outcomes and satisfaction are at least stable before and after implementation of the program. The cost analysis indicates that the transitional services established to replace MLRTC capacity has not resulted in an increased burden to counties in the region.

# DRAFT

## Fergus Falls Safety Net Redesign

The Fergus Falls Safety Net Redesign was born in a meeting held in Brainerd in January of the year 2000. At this meeting the Assistant Commissioner of State Operated Services discussed with the State of Minnesota County Directors potential changes in how safety net services might be delivered. Any or all of the county directors were invited to enter into discussions with State Operated Services if there was an interest in how safety net services were delivered in their regional catchment areas. In the spring of 2000, Region I and Region IV of Northwestern Minnesota contacted State Operated Services to indicate that they were interested in looking at safety net redesign for Northwestern Minnesota. This effort was begun in March of 2000. In the spring and summer of 2001 this effort became a Commissioner's Initiative.

The 17 counties that comprise Region I and Region IV in Northwestern Minnesota were involved in this safety net redesign. The purpose of their effort was to:

- Provide services as close to home as possible for the consumers in need of mental health services.
- Provide as close to home as possible the appropriate level of care based on the needs of the consumers.
- Effectively utilize dollars available to provide safety net services in Northwestern Minnesota.

The outcomes of this effort have resulted in two distinct and community appropriate approaches to safety net redesign. The need for two approaches became apparent early on in the safety net redesign effort. Each of the Regions utilized the inpatient services of the hospital differently. These different usages were driven by the array of services currently available in each of the regions and often times these service differences were driven by the demographics and utilization of each of the regions.

**Region IV**

Region IV, based on utilization of the current RTC, felt that they would have an ongoing need to access 50 beds of inpatient care services provided by the RTC on a daily basis. Expected outcomes, as the result of the changes for Region IV were:

- Patients are discharged from the hospital when recommended by consensus of the treatment team.
- Individuals on 72 Hour Hold Orders will be appropriately discharged to community services.
- More patients will be able to be successfully stabilized in community based inpatient settings.
- Consumers will be satisfied with the mental health services they receive.
- Individuals will access community-based services in lieu of being placed on a Hold Order.

**Region I**

This work group took a different approach based on hospital usage and proposed a work group made up of the eight counties in the northwest corner of Minnesota, the Crookston Mental Health Center and Northwest Medical Center. Their proposal is to serve clients in their own region with the RTC being truly a safety net for individuals who are MI & D and Sex Offenders. The RTC will be a backup when bed capacity does not allow for an admission in the Northern Region. This concept involves the usage of the 45-day bed contract program at Northwest Medical Center as well as increased inpatient mental health bed availability. Goals of the project are:

- Receive services, which support the greatest chance for recovery.
- Be empowered to use and enhance personal strengths and skills.
- Have a choice in making personal decisions.
- Have access to an optimum level of safety and independent living.
- Have access to a full range of support for recovery and reintegration following relapse.
- Experience personal and cultural respect in service transaction.
- Have opportunities for healthy living options.

It is the intention of the initiative to be a single tiered system, integrated with community based services, and provide flexible services that adjust to the needs of the consumer. Admissions for RTC service will be admitted to Northwest Medical Center for assessment and triage. Whenever possible services, including inpatient care, will be provided within Northwest Medical Center. In addition, the counties in conjunction with the Mental Health Center and Northwest Medical Center will develop governance of the project, oversight, case management and primary responsibility for screening and placement of adults with serious and persistent mental illness.

Historically, this region has had an approximate daily census within the RTC of eight to ten consumers and this integrated initiative will be able to provide these services at the local level. The achievement of this initiative is linked to the partnership of State Operated Services, Crookston Mental Health Center and Northwest Medical Center. Fergus Falls Regional Treatment Center will join in increasing the Mental Health Initiative in this region by 14 staff. These staff will have shared inpatient and outpatient duties directed toward the achievement of the designed outcomes. This portion of the agreement is yet to be finalized.

# SOS Consolidation Study

## Tuesday October 22, 2002
## 4:00-5:30 p.m.
## Willmar Regional Treatment Center
## Rehabilitation Building Auditorium
## Willmar

*Final*

***Approximately 120 attendees***

***Staff:*** Michael Tessneer, Acting Assistant Commissioner; Rod Kornrumpf, Regional Administrator, Metro State OSN; Doug Seiler, Regional Administrator, Northern State OSN; Jim Behrends, Regional Administrator, So. State OSN and Maureen Lamb, Department of Human Resources (DHS)

***Facilitator:*** Diane Lynch

***Handouts:*** Agenda, MS 374, Article 9, Sec. 2, Subd. 4 statutory language; Principles for Consolidation of State Operated Services Campuses; Criteria for Consolidation of State Operated Services Campuses; Summary of Changes per Scenario One; FY 03 Consolidation Report Scenarios Definitions; FY 2003 Budget Scenario Assumptions; Definitions; FY 2003 Physical Plant Assumptions; Fact Sheet FY03; Moose Lake Case Study; Fergus Falls Safety Net Redesign and Contact Listing.

### Welcome
Diane Lynch started the meeting. The purpose of the meeting was to get the participants' comments and suggestions. A minimal amount of time would be spent in a presentation. No decisions have been made. The meeting will be videotaped and there are several note takers to capture their comments throughout the meeting. The meeting is scheduled to end at 5:30 p.m., per the information provided in the paper. Since another meeting is scheduled, the meeting room will need to be vacated by 6:00 p.m.

### Introductions
Diane introduced staff as well as Sandra Butturff, the Site Director at the Willmar Regional Treatment Center (WRTC). She then invited Michael Tessneer to address the participants.

### Mike Tessneer's Presentation
Mike reiterated the need for hear the audience's ideas. DHS is looking for new and creative ways to provide services. The State is facing a $3.2 million deficit and the Governor requested that alternatives to provide services in regional treatment centers be considered. In the past, a proposal on the WRTC was rejected by the Legislature because stakeholders' input was not solicited. Now, DHS is requesting input from counties, cities, consumers, law enforcement and the affected communities. At the end of the last session, MS Chapter 374, Article 9, Sec. 2, Subd. 4 was passed that required

the Commissioner of Human Services to evaluate strategies to consolidate the delivery of state operated services. The Commissioner is required to provide those strategies to the Legislature by January 15, 2003. The Report to the Legislature ("the Report") is to include input from cities, consumers, law enforcement and the affected community. The Study does not refer to enterprise services. Safety Net Redesign information and the Facility Reuse Study will be incorporated into the SOS Consolidation Study. That information will be incorporated into the Report. A number of the Principles for Consolidation of State Operated Services Campuses and Criteria for Consolidation of State Operated Services Campuses were reviewed.

## Scenarios Review

Rod Kornrumpf indicate that there is not a "secret plan" or "agenda." As Mike indicated, the Legislature required a Report. As much information as possible is needed. The scenarios illustrated in the handouts were designed to be a starting point in the discussion. Rod reviewed the WRTC scenario.

## Ongoing Discussion

Mike Tessneer reiterated that the Reuse Study findings and the work of the Safety Net Redesign groups will included in the Report.

## Public Comment Period

Diane reviewed the groundrules for conducting the meeting. The groundrules were: one person speaks at-a-time; no personal attacks; 90 second comment period per person; no one speaks twice until everyone who wants to speak once is heard; try not to repeat comments; limit side conversations and the meeting will end on time.

Diane indicated that the participants' comments are valuable and will be recorded via notes and videotape. Due to the large number of people in attendance, comments will be limited to 90 seconds. Once everyone has spoken, those who already made a comment will be invited to come back for further comments. Public comments will be solicited until 5:25 p.m. There are several opportunities for comments: the website, as indicated on the handout; post-it notes for the flipcharts located at the back of the room; comment sheets and contact with the directors indicated on the handout.

The following reflects key points of the public and written comments by participant category:

<u>Chamber of Commerce/Business</u>

- WRTC should stay open. Closure would affect over 18 counties. There are not enough mental illness beds now. Closure of WRTC would hamper ability to recruit medical staff and retain the current medical staff infrastructure. There is an unmet need for centralized institutional care in Willmar
- The WRTC is a marketable facility and it is in better condition than St. Peter. Seven of the 25 buildings are vacant. The WRTC is leasing a substantial amount of space off campus that could be transferred to the existing campus. The highest and best use for this site is health services
- Create a visioning process to discuss ways to fill the buildings and to keep WRTC open. The Department of Corrections and the VA Center looked at the building and indicated it could work. It should work for WRTC

City Officials

- The numbers seen to change from meeting to meeting. Care of clients is paramount. Doctors on the western side of the state indicate that clients are being referred to South Dakota because WRTC does not have beds available. Quality of buildings is outstanding as shown from the R. Zahn and Associates' Report. If WRTC closes, 250 jobs would be lost and would result in a loss to the community of $9-10 million annually

County Representatives

- The quality of services at WRTC is good. The area needs the beds. Transportation and proximity of services is the number one priority for clients
- Reacting too quickly to the budget concerns can have major ramifications. The process of consolidation will not solve budget problems this year. Let the task forces continue to work through to a solution
- Concern about programs and consolidation impacts. There are support groups in every area. RAP and ACT are two new programs designed to help mentally ill people that were finally funded by the state this year. These programs should be allowed to continue work with the consortium of providers
- Holding commitment hearings in St. Peter not only adversely affects patients and their families; it also affects social workers, public defenders, prosecutors, local psych examiners and law enforcement. Off-site court activity costs more than local services due to travel, technology and professional costs
- Transportation costs will increase

Employees

- Worked here for 36 years. This is a beautiful campus and easily accessible from several highways
- WRTC works closely with the jail that is trying to develop an innovative program for inmates that have mental illness. There is good staff here. Relocation will be costly

Family Members

- The figures do not consider the impact on the patients
- State departments need to talk more with each other
- Whatever happens, there should be minimal disruptions to services
- Husband is bedridden and son is here. It would be a hardship to have the in St. Peter. There should be more group homes for people that need supervised living. Some of the buildings could be used for small apartments

General Citizens

- Mentally ill people are in jail because there is no other way to treat them
- WRTC is one of the top five employers in the area. Closing it would be wrong
- Systemic changes need to be made in the society in order to remove the stigma around mental illness. The State of Minnesota should reuse buildings it owns rather than construct and remodel new ones
- Willmar is doing well; it would be wrong to close this facility
- DHS is chipping away at services provided at WRTC. This will only deter the opportunities for other uses of this facility. It would be cheaper and wiser to move Metro services out here where the cost of living is somewhat cheaper

Health Professionals

- WRTC Dialectical Behavior Therapy program (for self-mutilation) is unique and has treated 200 patients so far. This program may be lost in a consolidation with St. Peter
- Continue the work of the consortium
- Brainerd Hospital cannot handle all mentally ill patients. People need to consider if mental health is a bedrock necessity
- There are not enough beds available in different parts of the state already. It took fifteen call to find a bed for a 17 year-old suicidal girl
- The Serious and Persistent Mentally Ill program (SPMI) was interrupted by the State's budget crisis last year. Funding sources were not available until this year
- Upgrading these buildings will take millions of dollars and must come from somewhere
- It is interesting that the Safety Net Task Force meets monthly and the emphasis is on coordination with other behavioral health providers. Other providers have been asked to attend only one meeting
- Consolidation affects issues such as: proximity of service for jobs, hospital services and linking mental health services to prison

Law Enforcement

- The drive to St. Peter is not bad; however, if there are not enough beds, the people will be held in jail on petty misdemeanors. Hospital emergency rooms have to hold patients as much as 3-4 hours before placing them for emergency evaluation

Labor

- There could be satellite campuses. Focus should be on the patient not on the most saleable property

Legislators

- The figures in the handout did not come from the Legislature. There should be apples to apples comparison between the figures. Given the figures, it is more effective to use the WRTC
- Neither the House nor the Senate knows where the statutory language came from. Looking at the monetary impact, St. Peter should move to Anoka.
- Look to bottom up answers, not top down. Every consolidated effort will cost more than it saves. The focus should be on how to save money as well as to protect people. Comments from the meeting should be published so ideas on how to save money and continue services can be discussed

Mental Health Advocates

- Consensus of opinion is to keep the facility open. The patients should come first. The WRTC is capable of providing excellent services
- 90 seconds to comment on an issue as important as this is ridiculous
- Think of the patients, not only the money
- Safety Net Redesign Task Force:
    - The current system provides better integration of providers
    - There could be a closer linkage of State Operated Services (SOS) and other services

    - The 18 county SW Minnesota Adult Mental Health Initiative has expanded. It is now a 22- county consortium that includes a four-county Community Adult Mental Health Initiative. The expanded consortium was formed as a response to the possible consolidation with St. Peter. The WRTC has been essential to the six years of growth of this consortium. System of care is larger than SOS and larger than community-based—collaboration needs to continue. The results and recommendations of the Redesign Task Force should be reviewed in a manner similar to the Fergus Falls RTC Results Initiative review
- SW Minnesota Reuse Task Force:
    - WRTC is well-maintained, provides a safe haven for residents, has excellent staff, provides jobs and supports the economy. Service to the people is key. The draft Reuse Study is completed and it supports WRTC

Residents

- WRTC is a safe and comfortable place. It is a relief to be here
- Resident came to WRTC with manic-depression, with little hope of recovery. It only took three weeks to be healed by doctors and staff. This facility should continue

## Follow-up and Closing

Mike Tessneer emphasized that this study is mandated by the Legislature. In preparing the study, the Department of Human Services is committed to providing services. No decisions have been made. Given the budget deficit, it is anticipated there will be immense pressure to create efficiencies. Safety Net Redesign and other groups will continue to provide input. The Department will listen to ideas. The Report is due to the Legislature by January 15, 2003. The process will be to submit it to the DHS Commissioner, Governor and then the Legislature. For more information, check the website, contact the Administrators, directors or DHS staff.

The meeting adjourned at 5:30 p.m.

# SOS Consolidation Study

## Monday October 28, 2002
## 4:00-5:30 p.m.
## Hope Lutheran Church
## Walker
## Final

***Approximately 105 attendees***

***Staff:*** Michael Tessneer, Acting Assistant Commissioner; Rod Kornrumpf, Regional Administrator, Metro State OSN; Doug Seiler, Regional Administrator, Northern State OSN; Jim Behrends, Regional Administrator, So. State OSN and Lela Porter, Department of Human Resources (DHS)

***Facilitator:*** Diane Lynch

***Handouts:*** Agenda, MS 374, Article 9, Sec. 2, Subd. 4 statutory language; Principles for Consolidation of State Operated Services Campuses; Criteria for Consolidation of State Operated Services Campuses; Summary of Changes per Scenario One; FY 03 Consolidation Report Scenarios Definitions; FY 2003 Budget Scenario Assumptions; Definitions; FY 2003 Physical Plant Assumptions; Fact Sheet FY03; Moose Lake Case Study; Fergus Falls Safety Net Redesign and Contact Listing.

### Welcome
Diane Lynch started the meeting. The purpose of the meeting will be to get the participants' comments and suggestions. A minimal amount of time will be spent in a presentation. No decisions have been made. The meeting will be videotaped and there are several note takers to capture their comments throughout the meeting. The meeting is scheduled to end at 5:30 p.m., per the information provided in the paper. Since another meeting is scheduled, the meeting room will need to be vacated by 6:00 p.m.

### Introductions
Diane introduced staff as well as Jim Holien, Site Director at the Brainerd Regional Human Services Center (BRHSC) and Virginia Meyer, Site Director at Ah-Gwah-Ching Center (AGC). She then invited Michael Tessneer to address the participants.

### Mike Tessneer's Presentation
Mike reiterated the need for hear the audience's ideas. DHS is looking for new and creative ways to provide services. The State is facing a $3.2 million deficit and the Governor requested that alternatives to provide services in regional treatment centers be considered. Last session, the Department was required to put a plan together in six weeks. The proposal was rejected by the Legislature because stakeholders' input was not solicited. Now, DHS is requesting input from counties, cities, consumers, law enforcement and the affected communities. At the end of the last session, MS Chapter 374, Article 9, Sec. 2, Subd. 4 was passed that required the Commissioner of Human

Services to evaluate strategies to consolidate the delivery of state operated services. The Commissioner is required to provide those strategies to the Legislature by January 15, 2003. The Report to the Legislature ("the Report") is to include input from cities, consumers, law enforcement and the affected community. The Study does not refer to enterprise services. Safety Net Redesign information and the Facility Reuse Study will be incorporated into the SOS Consolidation Study. That information will be incorporated into the Report. A number of the Principles for Consolidation of State Operated Services Campuses and Criteria for Consolidation of State Operated Services Campuses were reviewed.

## Scenarios Review

Rod Kornrumpf indicate that there is not a "secret plan" or "agenda." As Mike indicated, the Legislature required a Report. As much information as possible is needed to develop options that provides comparable services at a reduced cost. The scenarios illustrated in the handouts were designed to be a starting point in the discussion. Rod reviewed the AGC scenario.

## Public Comment Period

Diane reviewed the groundrules for conducting the meeting. The groundrules were: one person speaks at-a-time; no personal attacks; 90 second comment period per person; no one speaks twice until everyone who wants to speak once is heard; try not to repeat comments; limit side conversations and the meeting will end on time.

Diane indicated that the participants' comments are valuable and will be recorded via notes and videotape. Due to the large number of people in attendance, comments will be limited to 90 seconds. Once everyone has spoken, those who already made a comment will be invited to come back for further comments. Public comments will be solicited until 5:25 p.m. There are several opportunities for comments: the website, as indicated on the handout; post-it notes for the flipcharts located at the back of the room; comment sheets and contact with the directors indicated on the handout.

The following reflects key points of the public and written comments by participant category:

<u>Chamber of Commerce/Business</u>

- In 1990, the AGC Community Task Force was formed to react to the potential closing of AGC. The Task Force is now concerned with the future use of AGC and takes a more proactive position recommending: working with the county, city and other entities that may be interested in developing programs at the AGC campus, keeping the present programs and adding ones on a cost-shared basis with other entities. Interested in the findings of the Reuse Task Force

<u>City Officials</u>

- The community would be hurt because of the large employment it provides. There are back door costs. City and county interests conflict with the State's interests

County Representatives

- Would like adult daycare at AGC to help keep people out of nursing homes. At this time, Brainerd and Bemidji have adult day care center. AGC has the transportation, staff, room and kitchen facilities available for adult daycare
- Continual discussion regarding consolidation stresses the employees. This issue should be resolved once and for all. AGC should remain.
- If AGC closes, the State should provide group homes like it did for Cambridge and Moose Lake. Residents get the care and employees keep jobs

Employees

- Nurses are certified at AGC. It would be expensive to certify them in Brainerd
- Local economy would suffer if employees have to drive 2.5 hours everyday. A consolidation affects the local economy greatly considering the number of employees that would be relocated
- No chance to save AGC with the regional administrator and site director who are from Brainerd. They are not concerned
- Administrators should look at the type of patients AGC serves. Ginny Meyer has never been on all the units to see the types of residents that are served
- Move Woodhaven to AGC and create a good mental health system for northern Minnesota. If we compromise our mental health system now, we will pay many more times over for this decision
- Anoka is an example of mismanagement—too few beds and staffing problems. We need many more beds than you speak of. Minnesota should be a leader in mental health, not second rate, like so many other states
- The Regional Administrator should spend more time at AGC. Hope that there is more than four people and some financial figures that will determine the fate of AGC
- AGC needs to have representation. At the very beginning of Doug Seiler's employment, staff were told he was hired "to close AGC"
- Patients who have been moved from other facilities have been traumatized. The result has been the increase in behaviors, medical needs and sometimes even death
- Buildings at AGC are up-to-code. Units that have been closed should be opened. BRHSC has large empty buildings, whereas AGC has few
- People have exhausted all other resources. AGC is a unique place to enable patients to cut back on medications to improve the quality of life and in many cases, go back to the community
- AGC is a perfect place for special need patients and clients. Surveys indicate this is a good facility. It should not be taken away from special needs clients
- Most of AGC clients have burned their bridges regarding family and most families like them up in the woods, even those from the metro area
- MnStar was possible because of AGC staff. AGC has always had good inspections. With the aging population, AGC needs to stay open or does the state plan just to do away with these people?
- Closing AGC will not save money now. Think about it
- AGC has sent RNs to Brainerd to help them correct their deficiencies. AGC has always had excellent surveys. This accounts for excellent resident care (if anyone cares about resident care).

Family Members

- AGC is a convenient location for patients. Brother is at AGC and 80 year old mother is happy he is here. Most vulnerable people will be affected. Creative ways should be discussed to support this facility
- AGC is an exceptional facility. Consolidation causes stress on patients, school systems, families and employees
- Mother is here. The years she spent at AGC are the only years in her life she has been content. The professional staff at AGC found the answer. Always informed by phone of any changes. The staff is wonderful. Do not take away a place that works

General Citizens

- Any of the renovations will be expensive. Moving back into them will require changes in order to comply with building codes. The buildings in Brainerd face the same issue. To use old vacated institutional space is expensive. Consider conducting a best use study. The Reuse Take Force hired Thomas Zahn and Associates to do one. A set of services were developed to save money and provide better service to the patients, employees have options and services stay in the communities
- Northwest Juvenile was considered for AGC, but may not be practical if closing it is a possibility. Need to develop a long-term plan or local support will be difficult
- Safety net seems to be missing—admitting requirements seemed to have changed
- Concerned there is little time to make recommendations to the Legislature
- State departments do not always work and play together; however, they can come together and decide the best ways to do it
- As a taxpayer, the hope is that the best case scenario can be presented to the Legislature
- With the upcoming generation of substance abusers, there will be a great need for places to care for these people. Instead of closing facilities, we should be expanding them
- Stop worrying about dollars and start caring about people
- Wants to know what the recommendations are from the meetings
- Concern there will be more cuts before a decision is made

Health Professionals

- A northern Minnesota facility is needed to handle difficult patients. Staff does a wonderful job. AGC could provide resources to other institutions. GRASP program was lost a couple of years ago and people are still looking for that program to give help to other facilities. Demographics show that places like AGC will be needed in the future due to the aging population. Not sure if the Reuse Study changes overheads
- One-half of the nursing staff would relocate. That would mean there would be a significant nursing shortage in Brainerd. It is easier to replace nurses if BRHSC were consolidated to AGC.

Legislators

- The number show that BRHSC should move to AGC. Shoreline property could be given to the DNR, and the building and 170 acres sold to the county. Local governments need to work with the state. The Legislature will not move AGC

Mental Health Advocates

- Proximity to the reservation makes it easier for family members to visit residents. Cells of economic growth are needed. Facilities are needed on the edge of expanding populations
- AGC has great facilities for adult daycare

Residents

- Loves AGC because of the staff and location

School Representatives

- Moving AGC would have huge ramifications on the school district. Hopes that Senator Samuelson will not be more powerful than Walker's senator. The community cannot survive alone on the resort community
- Appreciates the honesty in showing numbers. Change does not provide savings. Need to work with the State to see if vacant space can be used by other state agencies. Closing AGC would affect schools and the economy. Brainerd and AGC should work together

## Follow-up and Closing

Mike Tessneer emphasized that this study is mandated by the Legislature. In preparing the study, the Department of Human Services is committed to providing services. No decisions have been made. Given the budget deficit, it is anticipated there will be immense pressure to create efficiencies. Safety Net Redesign and other groups will continue to provide input. The Department will listen to ideas. The Report is due to the Legislature by January 15, 2003. The process will be to submit it to the DHS Commissioner, Governor and then the Legislature. For more information, check the website, contact the Administrators, directors or DHS staff.

The meeting adjourned at 5:30 p.m.

# SOS Consolidation Study

## Tuesday October 29, 2002
## 4:00-5:30 p.m.
## Brainerd Regional Human Services Center
## Brainerd

*Final*

***Approximately 65 attendees***

***Staff:*** Michael Tessneer, Acting Assistant Commissioner; Rod Kornrumpf, Regional Administrator, Metro State OSN; Doug Seiler, Regional Administrator, Northern State OSN; Jim Behrends, Regional Administrator, So. State OSN and Lela Porter, Department of Human Resources (DHS)

***Facilitator:*** Diane Lynch

***Handouts:*** Agenda, MS 374, Article 9, Sec. 2, Subd. 4 statutory language; Principles for Consolidation of State Operated Services Campuses; Criteria for Consolidation of State Operated Services Campuses; Summary of Changes per Scenario One; FY 03 Consolidation Report Scenarios Definitions; FY 2003 Budget Scenario Assumptions; Definitions; FY 2003 Physical Plant Assumptions; Fact Sheet FY03; Moose Lake Case Study; Fergus Falls Safety Net Redesign and Contact Listing.

### Welcome
Diane Lynch started the meeting. The purpose of the meeting was to get the participants' comments and suggestions. A minimal amount of time would be spent in a presentation. No decisions have been made. The meeting will be videotaped and there are several note takers to capture their comments throughout the meeting. The meeting is scheduled to end at 5:30 p.m., per the information provided in the paper. Since another meeting is scheduled, the meeting room will need to be vacated by 6:00 p.m.

### Introductions
Diane introduced staff as well as Jim Holien, Site Director at the Brainerd Regional Human Services Center (BRHSC) and Virginia Meyer, Site Director at Ah-Gwah-Ching Center (AGC). She then invited Michael Tessneer to address the participants.

### Mike Tessneer's Presentation
Mike reiterated the need for hear the audience's ideas. DHS is looking for new and creative ways to provide services. The State is facing a $3.2 million deficit and the Governor requested that alternatives to provide services in regional treatment centers be considered. Last session, the Department was required to put a plan together in six weeks. The proposal was rejected by the Legislature because stakeholders' input was not solicited. There was considerable controversy because of Ah-Gwah-Ching (AGC) and Willmar Regional Treatment Center (WRTC). At the end of the last session, MS Chapter 374, Article 9, Sec. 2, Subd. 4 was passed that required the Commissioner of Human Services to evaluate strategies to consolidate the delivery of state operated

services in ways that would result in a savings. The Commissioner is required to provide those strategies to the Legislature by January 15, 2003. Now, DHS will provide basic facts and is requesting input from counties, cities, consumers, law enforcement and the affected communities on various scenarios. The input will be included in the Report to the Legislature. The scenarios could have a positive or negative impact on stakeholders. Mike reviewed several of the Principles for Consolidation of State Operated Services Campuses and Criteria for Consolidation of State Operated Services Campuses.

## Scenarios Review

Rod Kornrumpf indicate that there is not a "secret plan" or "agenda." He asked for the communities to consider what could be done collectively, beyond moving beds. Creative solutions are needed that will save money and not just move services from one campus to another. In years one and two, there is not much savings. The scenarios illustrated in the handouts were designed to be a starting point in the discussion. Rod reviewed the Woodhaven (BRHSC) scenario.

## Public Comment Period

Diane reviewed the groundrules for conducting the meeting. The groundrules were: one person speaks at-a-time; no personal attacks; 90 second comment period per person; no one speaks twice until everyone who wants to speak once is heard; try not to repeat comments; limit side conversations and the meeting will end on time.

Diane indicated that the participants' comments are valuable and will be recorded via notes and videotape. Due to the large number of people in attendance, comments will be limited to 90 seconds. Once everyone has spoken, those who already made a comment will be invited to come back for further comments. Public comments will be solicited until 5:25 p.m. There are several opportunities for comments: the website, as indicated on the handout; post-it notes for the flipcharts located at the back of the room; comment sheets and contact with the directors indicated on the handout.

The following reflects key points of the public and written comments by participant category:

<u>County Representatives</u>

- Concerned that the importance of jobs to the community may be overlooked in a consolidation scenario

<u>Employees</u>

- ACG could work with Woodhaven on a transitional phase. Woodhaven could remain with its medical focus and AGC could do follow-up and transition different service levels. MR people moved to a smaller community have proven better than AGC. BRHSC has been innovative
- Don Samuelson cannot be here today. RTCs and mental health issues have always been high on his agenda
- There is a need to be proactive and state the reason why we should be the ones to stay in Brainerd and not move: located closer to medical facilities (urology, cardiology, dialysis, etc.); OT, PT and Speech Therapy are on the campus; access to community support systems; vacant buildings and newer buildings; centrally located; staff are caring and families are pleased; smaller units provide

safety and a quieter environment. BRHSC has work for pay program and various volunteer groups
- BRHSC is closer to hospital and the doctors' office
- Brainerd has newer buildings. Ones not in use could be easily utilized
- Brainerd is centrally located and buildings are updated. Brainerd recently lost the paper mill. A lot of paper mill staff are going into nursing

Family Members
- Pleased with services provided to mother
- Sister is here and loves it. She was at AGC and another facility in Brainerd, but likes Woodhaven better
- If there was more room at BRHSC, residents could be closer to their families
- Father is at Woodhaven. Seems people are more worried about money and employees than residents
- Son in the hospital could have been released in three weeks if an acceptable group home could have been available
- Mother is at Woodhaven but was at AGC. Distance was a big issue to get her back here. AGC has a very cold heart; Woodhaven is home
- Father is at Woodhaven. It is a better facility than AGC. Doesn't understand reason to have a nursing home in Walker, except for aging Twin Citians
- Brother is at Woodhaven. If Woodhaven residents were moved to AGC, it would be difficult to attend care conferences, make visits etc. As a concerned relative, it has been important to have personal contact with both caregivers and the resident
- Husband is at Woodhaven. He was at various nursing homes; Woodhaven is the best here. He was at AGC and that was an awful experience for him and the family
- Daughter of a resident. Woodhaven is a wonderful and well-staffed home. AGC should be kept to support Walker/Brainerd and the lakes communities
- Son of a resident. Mother has been at Woodhaven for six years. A geographic move would be very hard on her and us
- Daughter-in-law of a resident. Woodhaven is excellent for her care needs. She is 94 and at her age the move would be very hard on her. Nothing is more important to a resident than family
- Son is a resident. He was mentally ill, homeless and was arrested. There is a need for a place for the homeless

General Citizens
- Concerned about the impact on employees
- Interested in buying back the detention center building that was deeded to Crow Wing County
- Renovation costs for AGC should not be less since the buildings are older
- It seems that the Woodhaven is going to AGC
- Money will not be saved in transportation for the staff and residents
- Research, such as that which was done for Moose Lake, should be undertaken before decisions are made
- The cost of $96,000 per patient for renovation seems very high
- Concerned about AGC having room for Woodhaven patients

Health Professionals

- Concerned about meeting needs and the loss of beds. Would like to work with SOS to meet the needs of the community. The needs of the metro cannot be met here. Consider if mental health treatment is a necessity or if it should be consolidated or reduced
- Recommends not doing anything
- The Moose Lake move was controversial but seems to be effective. Consider moving services provided on campus to the community to decrease the cost of inpatient care and downsize on-campus services. Vendors, county, mental health centers and the state should be willing to have conversations about this
- There is good staff at Woodhaven to take care of unbelievably complex patients. Mental illness needs a higher priority in the state. Instead of cutting services let's raise this issue to a higher level
- Good community services need to be put in place so that housing, support etc. are available so that patients don't stay in AGC forever
- People need to talk with politicians regarding how high a priority this is
- Inject some passion into rethinking providing services. If people had a system of care when discharged, they would not have to go back and census would not be so high

Mental Health Advocates

- It is obvious that a new tenant is needed for AGC. Finding a new tenant should be a top priority for state administrators
- Concerned about impact of consolidation on other community-based mental illness services, such as the county support group for people just out of treatment
- Need to look at how the beds are being used. A high percentage of AGC's beds are being used for people from the metro area who will be in the hospital system for a long time and away from their families etc. Community services should be beefed up so they can get services closer to home and open up beds here
- Since the greatest number of people seems to be from the Twin Cities area, the Twin Cities should be building facilities and offering closer access. This may alleviate some of the problems
- At Woodhaven, people are under 65 and have a long life ahead. County services should be put in place in order to meet their needs
- Look at MHI dollars and see if they have been cost effective. If so, look at expansion. It would be great to have more state employees out here
- These residents should be protected. Keep them in a hospital so they can stay on medicines and get better
- Very good information—very informative. Was glad for the opportunity

## Follow-up and Closing

Mike Tessneer emphasized that the Department of Human Services (the Department) is mandated to provide recommendations to the Legislature. This study is not about reducing capacity. No decisions have been made. Due to the budget problem, the Department needs to look at efficiencies. The Department would like to know what other things could happen if community services were enhanced. He indicated that the Department is committed to listing to the public. The process will be to submit it the Report to the DHS Commissioner, Governor and then the Legislature by January 15, 2003. For more information, check the website, contact the Administrators, directors or DHS staff.

The meeting adjourned at 5:30 p.m.

# SOS Consolidation Study

## Monday, November 4, 2002
## 4:00-5:30 p.m.
## St. Peter Regional Treatment Center
## Community Center-St. Peter

***Approximately 150 attendees***

# Final

***Staff:*** Michael Tessneer, Acting Assistant Commissioner; Rod Kornrumpf, Regional Administrator, Metro State OSN; Doug Seiler, Regional Administrator, Northern State OSN; Jim Behrends, Regional Administrator, So. State OSN and Maureen Lamb, DHS.

***Facilitator:*** Diane Lynch

***Handouts:*** Agenda, MS 374, Article 9, Sec. 2, Subd. 4 statutory language; Principles for Consolidation of State Operated Services Campuses; Criteria for Consolidation of State Operated Services Campuses; Summary of Changes per Scenario One; FY 03 Consolidation Report Scenarios Definitions; FY 2003 Budget Scenario Assumptions; Definitions; FY 2003 Physical Plant Assumptions; Fact Sheet FY03; Moose Lake Case Study; Fergus Falls Safety Net Redesign and Contact Listing.

### Welcome
Diane Lynch started the meeting. The purpose of the meeting was to get the participants' comments and suggestions. A minimal amount of time would be spent in a presentation. No decisions have been made. The meeting will be videotaped and there are several note takers to capture their comments throughout the meeting. The meeting is scheduled to end at 5:30 p.m., per the information provided in the paper. Since another meeting is scheduled, the meeting room will need to be vacated by 6:00 p.m.

### Introductions
Diane introduced staff as well as Carol Olson and Larry Tebrake, Site Directors, St. Peter Regional Treatment Center (SPRTC). She then invited Michael Tessneer to address the participants.

### Mike Tessneer's Presentation
Mike reiterated the need for hear the audience's ideas. DHS is looking for new and creative ways to provide services. He indicated that the State is facing a $3.2 million deficit and the Governor requested that alternatives to provide services in regional treatment centers be considered. In the past, a proposal to consolidate St. Peter to Willmar was rejected by the Legislature because stakeholders' input was not solicited. Now, they are soliciting input from the counties, cities, consumers, law enforcement and the affected communities. At the end of the last session, MS Chapter 374, Article 9, Sec. 2, Subd. 4 was passed that required the Commissioner of Human Services to

evaluate strategies to consolidate the delivery of state operated services. The Commissioner is required to provide those strategies to the Legislature by January 15, 2003. The Report to the Legislature ("the Report") is to include input from cities, consumers, law enforcement and the affected community. The Study does not refer to enterprise services. Safety Net Redesign information and the Facility Reuse Study will be incorporated into the SOS Consolidation Study. A number of the Principles for Consolidation of State Operated Services Campuses and Criteria for Consolidation of State Operated Services Campuses were reviewed.

Four scenarios have been developed to begin discussions. Comments on these scenarios as well as other options are welcomed. No decisions have been made. The goal is to maintain capacity, but be more efficient. The Department of Human Services is open to doing business in new and creative ways and partner with other agencies.

## Scenarios Review

Rod Kornrumpf indicate that there is not a "secret plan" or "agenda." He reiterated that no decisions have been made. As indicated in the handout, geographic changes cost more than they save in the short run. As Mike indicated, the Legislature required a Report. As much information as possible is needed. Rod indicated that the scenarios illustrated in the handouts were designed to be a starting point in the discussion. The scenarios will not address the current budget shortfall and in fact, it may take another two years or more before savings could be realized. He asked the audience to consider creative ways to provide savings. The SPRTC scenario was then reviewed.

## Public Comment Period

Diane indicated that DHS hired her to be a "neutral facilitator" to help the process run smoothly. She reviewed the groundrules for conducting the meeting. The following reflects her comments: Their comments are valuable and will be recorded by notes and videotape. Due to the large number of people in attendance, comments will be limited to two minutes. Once everyone has spoken, those who already made a comment will be invited to come back for further comments. Public comments will be solicited for about one hour. She indicated there are several opportunities for comments: the website, as indicated on the handout; writing on the flipchart located at the back of the room; comment sheets and contact with the directors indicated on the handout.

The following reflects key points of the public comments by category of participants:

<u>Chamber of Commerce/ Business</u>

- The costs should reflect the price of maintaining vacant space. Closing SPRTC would be very disruptive to the community. It looks like there will be a $2 million savings to have beds in St. Peter. When the numbers are reviewed, it looks like St. Peter is being penalized
- There will be a significant savings by moving Willmar's beds to St. Peter
- St. Peter is just recovering from the loss of 750 jobs a few years ago
- Consider the "do nothing" scenario
- Some of the existing unused space at SPRTC could be rented/leased and provide an income source for the state

- The impact of closing a regional treatment center in St. Peter would be greater than on Willmar
- Having the Minnesota Security Hospital on the St. Peter campus would utilize additionally trained staff. With fiber optics available and St. Peter's e-commerce certification, increase utilization of technology becomes a reality

City Officials

- The community raised money to buy the St. Peter campus. It is a member of our community. It is the biggest employer in town. The transportation corridor goes right through St. Peter. It is less than one hour from St. Paul

County Representatives

- The savings in the consolidation scenarios does not show the impact on the counties. Counties will incur additional costs such as: staffing, law enforcement, travel time, urgent care etc. Waivers do not provide enough revenue. Urgent care centers are important service providers
- All of these scenarios constitute a "bogus vision." The State's real agenda is to divide and conquer counties. Develop a plan that makes economic sense
- Consider expanding WRTC
- Looking at net savings and costs for renovation, there is an escalation of costs. All the costs should be considered long-term
- Financial considerations are important but there is a need to look at the impact on the people that are being served
- If forensics are important, they should be added to Willmar if St. Peter is consolidated
- The cost to the court and law enforcement of moving beds to WRTC is very high. Our judge is shared by several counties and would have to leave in the early hours of the morning and pick up the patient by 5:30 a.m. in order to make the hearing. There is no funding for interactive video available. A transportation deputy would need to be added. Case managers estimate that staff and travel costs would be incurred in order to continue Rule 79 case management. Additional time would need to be added to compensate for travel. The prairie and ice storms of western Minnesota make driving dangerous for staff
- Clients and patients should have been informed earlier about this meeting. Clients and patients should be asked if they want to move
- Best practices show people recover from acute illness with the least disruption. When people are hospitalized in or near their communities, discharge plans begin immediately. Services of the SPRTC should not be lost

Employees

- SPRTC is the largest employer in town. Consolidating Willmar in the St. Peter facility would have less of an impact on Willmar than the other way around
- The area could do the planning for centralization of state services to provide better services to the client. DHS Administration in St. Paul should be in St. Peter
- Contract staff are not trained to handle patients like SPRTC
- There is already a critical shortage of beds and psychiatric help caused by a number of issues
- Concerned about job security
- The loss of the campus will leave patients without care and at the present time, more adequate care is needed. There will be a big economic impact on the

community. The school system will suffer more—like it did with Anan closing. The quality of life for everyone will deteriorate and will require tax increases to provide for jobless people

- Concerned about the costs of staff and buildings
- Thanks for the opportunity to dialogue with you. Please continue the open communication
- Since the Department paid for a community impact study in Willmar, it seems reasonable that the same should be done in St. Peter. Clearly, the cost difference in the two sites would be that Willmar has more staff per patient bed in the MI program
- 87 beds with an overhead cost of $56.00 is far more expensive than 87 beds with an overhead cost of $29.00 any way you slice it
- Moving to Willmar will not save money in the long run. Staff who stay will not find employment in their current fields. The school system will be affected. Concerned how the patients will be transferred, taken to court etc.
- Families in the southeast areas of the State already have a hard time keeping in touch with their family member. Sending the resident 2-2 ½ hours more away because hospitals closer to their homes cannot manage them is insane. Don't limit any more resources. There is enough of a problem with the "hidden population of the homeless mentally ill. Don't make it worse

General Citizens

- Concerned over the disposition of SPRTC's facilities
- SPRTC is one of the few hospitals that treats deaf mentally ill patients
- The cost of housing mentally ill in prisons should be considered as a cost of closing the SPRTC
- The number of mentally ill patients continues to increase and services decrease. Concern about how these patients will be served
- There should be a "do nothing" scenario

Health Professionals

- Forensic services continue to grow. There is a crisis in mental health services and a need for quality psychiatric care. This situation should be addressed by a number of stakeholders
- Anoka to Willmar scenario is better than the St. Peter to Willmar scenario
- Similar problems with long-term care. The Long Term Care Task Force is seeking solutions. SOS should do the same
- We are talking about how to save money and have not looked at raising money to meet needs
- Many of the SPRTC patients have lived in south central Minnesota all of their lives. Being hospitalized over two hours away would be detrimental to their mental health
- Concerned that efforts to ease psychiatric services pressure by developing resources such as urgent care, shared services etc. will be lost. Staff will spend more time driving when their time should be spent in providing services. Transportations costs are expensive. DD history tells us that safety net services will not get developed adequately and be easily accessible as promised when resources close

Law Enforcement

- Concerned about the impact on the patients

Legislators

- There is a crisis for beds already. This plan should address this issue. When you look at the numbers it looks like St. Peter is being penalized
- Savings the first year is offset by severance package and costs to maintain vacant space. Renovations can take 2-3 years once the bonding is approved. Savings and cost shifts to law enforcement and social services should be determined over a period of time and included with information to the Legislature.

Media

- It does not make sense to relocate the only facility in southern Minnesota and keep three facilities open in northern Minnesota

Mental Health Advocates

- Advocates did not know about the meeting
- Concerned how mental health needs can be met in the community without the SPRTC. There needs to be other ways to cut costs
- Each regional treatment center should study how it can cut costs
- Dual diagnosis should be available at Willmar if St. Peter is consolidated
- If St. Peter is closed, many patients will lose support
- Provide urgent care services. Use SPRTC for outpatient psychiatric services to prevent hospitalization. Consolidation would be a great loss for consumers and the community

School Representatives

- To save overhead, beds should be moved from Willmar to St. Peter

## Follow-up and Closing

Diane reminded the participants how their concerns could be expressed. The comment cards will be picked up at the meeting. Mike Tessneer emphasized that no decisions have been made. Given the budget deficit, it is anticipated there will be immense pressure to create efficiencies. For more information, check the website, contact the Administrators, directors or DHS staff.

The meeting adjourned at 5:30 p.m.

**Summaries of Preliminary SOS Employee Meetings**
**October 2-7, 2002**

**Brainerd Regional Human Services Center**
**October 2, 2002**
**(Approximately 100 in attendance)**

Consolidation Comments:

- Don't reduce any capacity.
- Legislators don't understand what we do. How can they make decisions? Increase information to them.
- Keep the forum open. Let us be heard.
- Publish meeting minutes from labor/management meetings.
- We need to keep the legislature informed on what we do or this stuff will just continue.
- Partner with the Salvation Army to provide homeless housing in excess space.
- Private providers cannot and do not have the dollars or time to provide services due to the complexities of the patients we serve.
- Who will make the decision about consolidation and when?
- Will and can you post this information to the intranet?
- Numbers need to have clearer definition. Some sort of summary.
- Will minutes of labor meetings be posted?

Cost Saving Comments:

*Italicized* comments were in written form.

- *The suggested area of possible improved efficiency is in the use of the wheelchairs that are no longer used because they are outgrown or left behind at the point of one's recovery or death. Why not form a system that recycles these w/cs and some other types of medical or rehab? equipment and perhaps train the prison inmates or unemployed to refurbish these items and redistribute them to:*
  *-MA customers via the vendors*
  *-Wal-Mart and other big chains*
  *-Nursing homes that must provide these per diem*
  *-State facilities that need basic transport wheelchairs*
  *-Vendors who can sell these items with some type of approved inspection for function and sanitation*

- *Customers should return usable items when obtaining another, and it does not seem essential that the next purchase necessarily be new. (Perhaps allow one new each eight years and give credit for returning the outgrown one, etc.)*

- *Remove the double documentation involved in cost accounting and time book hours delineation (same info, different codes and one is Mon-Sun, the other is over the pay period)*

- *Make purchasing less cumbersome. The paperwork is very time-consuming. We are limited by budget and this only slows us to buy what's needed. Why not very tightly limited credit cards?*

- *Why not use the empty portions of the existing facilities for profit? There are programs for the homeless/displaced such as the one that the Salvation Army has announced. There are churches that need a gym for Wed. eve programs or Sun. morning.*

- *Why not join with the medical hospitals in the area for combined training efforts?*

- *Why pay JCAHO for its services? Does the accreditation help us, or could we have our own review?*

- *Eliminate the mentality of needing to "spend it this year or it's gone." Can we be rewarded for cost cutting by rolling a portion into a different year?*

- *Ask each program to cut a percent from their budget. Some could if motivated. We leave lights on, etc.*

- *Shore up billing to recoup more revenue.*

**Ah-Gwah-Ching Center**
**October 2, 2002**
**(Approximately 100 in attendance)**

Consolidation Comments:

- Is it only about dollars? Taking a piece out of BRHSC to AGC keeps AGC alive while closing AC and moving to BRHSC gets rid of an entire campus.
- Let communities where staff lives know about public meetings.
- If you take out a few buildings on a campus, you can devastate a program.
- Most clients to AGC are transported by SOS staff, not counties or police.
- The metro market has capacity available if they would just stand up and do what they should.
- SOS should move out of DHS to stand alone.
- The secret to AGC is it is a heated/controlled space to move into and be secure. Crowd them into a smaller space like BRHSC and it creates chaos and vulnerable adult issues.
- It would cost more money to upgrade BRHSC to take AGC clients.
- Woodhaven should stay and AGC should stay.
- Use the recommendations of the Long Term Care Venture Team as a guide.
- Safety net responsibility.

- Overheads: Costs at AGCC versus other center costs. We believe ours are lower.
- How does the reuse study interface the scenarios?
- School district impact.
- Could we increase the enterprise scenario in AGCC to save jobs?

*Italicized* comments were in written form.

- *Total consolidation of AGC campus to BRHSC would require the serious disruption and financial hardships for hundreds of citizens while causing stress on a far greater number of residents. In addition, there would be significant additional expenses to SOS to upgrade surplus buildings at Brainerd as well as relocating and recruiting or retraining staff.*

- *There needs to be a serious effort to maintaining an SOS presence on both campuses, while still consolidating services when it makes sense. SOS should follow the recommendations of the focus groups they commissioned to study this issue that advised consolidating the SOS long-term care services at AGC.*

- *SOS needs to continue operational savings and overhead reduction by expediting the transfer of AGC lakeshore to the DNR and other portions to county and community agencies. This all needs to be worked into savings formulas.*

- *It is the opinion of many that recommendations and projected cost savings suggested in consolidating AGC to BRHSC are inaccurate and skewed to meet the agenda of influential individuals. As is shown in the news daily, numbers can be manipulated in many ways to present a more favorable position or argument and may overlook or misrepresent important data.*

- *Many RTCs and SOS programs have been embroiled in lawsuits, drug and sex scandals and repeated deficient quality and health surveys. Minnesota has a mental health crisis, with some services even being provided by other states. AGC has not only maintained outstanding surveys, but has reduced costs and increased effectiveness in spite of budget cutbacks and adverse conditions imposed upon it. It makes no sense to lose that program because of regional politics or perceived savings when other options may be better.*

- *There is a legislative mandate to look at consolidation of state services. There is also a prior legislative mandate to maintain and develop the AGC program at Walker, which has been upheld by legislative veto override and a recent attorney general opinion statement. It would take direct legislative approval to change that.*

- *Hopefully, there would be a concerted effort made to consolidate sensibly and fairly, with accurate consideration of all the financial, social and historical factors involved in this process. AGC is in a better position to work with evolving community-based services if given the opportunity to share the experience and record of performance developed over the years.*

- *Less disruption to clients to move 20+ to AGC versus moving 150+ to Brainerd.*

- *As recent and past Health Department surveys have shown, AGC is better at providing quality services to clients than Brainerd*

- *AGC can readily absorb clients from Brainerd with no additional costs for upgrading any buildings and staffing.*

- *The impact of layoffs or relocation of staff in the nursing home division would be less in Brainerd due to less staff than in AGC resulting in less financial impact to the area. More jobs are readily available.*

- *Due to the distance for most employees that work at AGC to Brainerd, many will choose not to work at Brainerd therefore with the nursing shortages that are already out there. Brainerd will be faced with a staffing crisis resulting in poor quality care from insufficient staff patient ratios and increased overtime.*

- *Due to the availability of jobs in Brainerd versus Walker and surrounding areas, the financial impact here for both families and employees and the community would be devastating.*

- *The buildings at AGC are much better maintained and usable than at Brainerd. Furthermore, there is much interest by city, county and other enterprises in the purchasing and use of surplus property at AGC. In addition there is considerable interest in purchasing services that AGC can supply, which will, in fact, generate income, therefore, decreasing the overhead costs.*

- *AGC is already set up for receiving clients from corrections ie: fencing, cameras, etc. To relocate this type of clientele considerable costs would be required and necessary and this is a valuable resource for DOC.*

- *In the event that the lakeshore and surplus property is liquidated, it reduces the overhead costs dramatically. Also with the lakeshore deeded to DNR it reduces the value and salability of the rest of the campus*

- *We are required to frequently review and respond to make sure that they still meet the criteria for staying here. With the waiting lists to go into RTCs, are they also required to screen their clients to ensure that they are still being benefited by treatment or if not should they not be moved to facilities like AGC so that room becomes available for someone who may benefit from services at an RTC. Better utilization of services.*

<u>Cost Saving Comments:</u>

- Central Office (Administration) should be cut more.

- If federal matching funds came to the program instead of the general fund, it could cover some of the cuts.
- Collections need to get better.

**St. Peter Regional Treatment Center**
**October 3, 2002**
**(Approximately 150 in attendance)**

Consolidation Comments:

- 3.5 to 4-hour trip for care is not unusual in Greater Minnesota
- Are there benchmarks that could be used to compare SOS to similar services in other states?
- Is SOS taking the initiative to drive systemic changes or is it waiting for the counties?
- How significant is underutilized space to SOS?
- Involve politicians ahead of time.
- Did you do comparisons with other hospitals and other states?
- Overheads: Will they go there because the numbers are low?
- What is the story around overheads and what are we trying to tell people?
- Have you thought about changing the commitment act?
- Is part of the issue the uncoordinated mental health service delivery system?

*Cost Saving Comments:*

- *Will SOS just be looking at money when deciding to make cuts?*

- *If I look at overhead costs-if utilization goes up, shouldn't overhead costs go down?*

- *We should get the commitment act changed so we can treat right away and not make them sit and wait.*

- *The moratorium on Rule 36 is also making care more difficult.*

**Willmar Regional Treatment Center**
**October 3, 2002**
**(Approximately 100 people in attendance)**

Consolidation Comments:

- How are numbers figured out for square foot of buildings?
- Does consolidation lessen our ability to collect more revenue?
- It will be hard to go back and add something after you realize you've cut too much and need something you've eliminated.
- We should get frequent updates on the intranet.
- Mental Health Initiatives are an example of creative solutions.
- Will DHS ever work together and get out of silos?

- Does DHS go to DNR/MNDOT to look at getting rid of excess buildings instead of having them lease from someone else?
- Need to have consistent definition of direct care and support staff.
- Add patients to the feedback.
- Communicate to all staff on these meetings.
- When you are talking, do you have a targeted dollar for savings?
- Overhead costs: Does it include all building costs?
- What are the definitions for direct care, administrative and support staff and costs?
- Assure clarity of numbers.
- Has there been a discussion about moving Roseville to Anoka?
- Where are the capital costs?
- All RTC costs -do they include staff that live on campus?
- How would or will patients have input?
- Systems may or may not be talking and is that efficient?
- Will DHS make a recommendation?
- How are you going to communicate?
- Is there a way to get information about efficiencies of mental health institutions?
- When we have excess property, do we force other agencies to look at our property?
- Are you talking about enhanced separation?

Cost Saving Comments:

- *Increase collections-would that lessen our savings needs?*
- *We've been told we haven't collected Medicare money for three years. Is it true that we have collected everything? Can we go back and collect Medicare later?*
- *We've been billing Part A. Part B is the problem.*
- *Jarvis should be a more efficient service.*
- *Why are nursing homes appropriated when there is funding and they could be enterprise?*
- *Is SOS looking at enhanced separation for staff?*
- *The decrease in support services on campus will make it more difficult to attract other services.*
- *How much does it cost to lease the space in Roseville?*

Comments from Senator Dean Johnson (DFL-Willmar):

- This consolidation did not come from Al (Juhnke) or me. It came from the administration.
- Willmar or St. Peter consolidation, we are not for this. The look in your faces, the commitment, you are doing something right.
- My suggestions are to look at the reuse task force recommendations and we should incorporate them. We should put DWI beds in the Vets Home. This campus, this treatment center needs to stay here, we need to look at the metro and state office staff.

- If on January 15, Willmar comes as a recommendation, we will oppose. We support growing and getting the private sector involved.
- Incorporate reuse study task force in this study.
- Evaluate Department of Corrections and options for this campus.
- Look at all the people: central office, administration.

Comments from Representative Al Juhnke (DFL-Willmar):

- We did not get an invitation to this meeting, staff had to tell us.
- We heard a 10 percent cut. This is an exercise only
- Consolidation won't happen while we are in office.
- We said our intent was to involve the community.
- Nowhere did the Legislature ask for dramatic cost reductions. It is the Ventura administration.
- I'm getting sick and tired of talking consolidation.
- Are we talking moving criminals into community-based services? Then why are we talking about moving mentally ill and dangerous into community housing?
- What we are seeing is a cost-driven, not patient-driven process.
- When we close AGC or Willmar, we will quickly hear about new buildings needed in the Twin Cities.
- Dean (Johnson) and I are here to assure you this won't happen. You are not in this alone.
- We need this system.
- Why cannot clients from Hennepin come out here?
- This is an out state versus metro area issue.
- No reason for this now. Wait until the legislative session.
- What about moving Anoka to Willmar?

**Fergus Falls Regional Treatment Center**
**October 4, 2002**
**(Approximately 50 in attendance)**

Consolidation Comments:

- We have less professional service, recreational therapy, etc., and still maintain quality.
- Is the intention to reduce services elsewhere to make them look like FFRTC?
- There will be much less patient care.
- Community-based services are pretty sparse in the rural communities, Rule 36s, lack of psychiatrists.
- It takes two months to make psychiatric appointments.
- Creative partnerships versus outcomes: Are there benchmarks on outcomes?
- Because of cost constraints, it seems that direct care is always the one being hurt. I, as a taxpayer, am appalled at SOS cuts when we should be asking for more money for patient care.
- We in direct care always take the hit.
- Must define and clarify assumptions (list).

- What are the outcome measures to be used?

Comments from Representative Bud Nornes (R-Fergus Falls)

- There is a need for this service in Fergus.
- Are there things the legislature can do to increase revenues for SOS?
- To me, this is patient care.

**Anoka-Metro Regional Treatment Center**
**October 7, 2002**
**(Approximately 75 in attendance)**

Consolidation Comments:

- No staffing to maintain capacity, too many doubles, etc.
- Not enough licensed coverage, it is not safe.
- How will you get counties actively engaged when they haven't been before?
- Efficiencies at AMRTC are burning staff out and not giving care the patients need.
- We are not maintaining or enhancing services to patients (CD/anger management/relapse strategies).
- Experience with decreased support staffing has created some difficulties.
- Doubles occur frequently and licensed staff coverage is difficult.
- Unsafe issues. Scary issues.
- This is a crisis.
- People are calling in sick.
- Are we doing what we are supposed to be doing?
- What kind of tools are we giving our staff?
- Staffing resources—we are not doing it.
- Not enough people here to do it.
- Revolving door here for patients. There has to be feedback about what is happening.
- Question about Mental Health Initiative money—where is it going?
- Are we as effective dollar-wise with the appropriation as possible?
- Will there be intranet access and if I have access from my home computer will I be able to see the information?

Cost Saving Comments:

- CMS and the Star Tribune say we should be providing the same level of service as community hospitals yet our per diems are less.
- Can we get the counties to pay more of their fair share?
- Why can't the state recoup Mental Health Initiative money instead of it going to counties?
- Are we getting the revenues we should be getting?
- Will SOS be looking for new funding streams/new billing possibilities?

**Northern State Operated Services Network East – via polycom – October 7, 2002**

- How might this affect ICF/MR or CSS appropriation?
- Will this have any affect on Eveleth?

**Roseville-SOS/DHS**
**October 7, 2002**
**(Approximately 30 in attendance)**

Consolidation Comments:

- Will reuse and safety net redesign studies be incorporated?
- Mental Health Initiatives are good examples of alternatives that had an impact on campus-based services.
- How has labor accepted this idea?

**Minnesota Extended Treatment Options (METO)**
**October 7, 2002**
**(Approximately 30-35 in attendance)**

Consolidation Comments:

- There is a generation of training here related to working with this particular population and concern about the backlash if the program was to be moved to another location and staff could not go with it.
- There has been a significant effort to help staff understand how to deal with this population.
- Staff requested that information, as soon as it is available, be forwarded to Mike Maus for dissemination.
- Moving buildings is not or should not be the emphasis.
- Emphasis should be on all the dollars we have spent to change and train staff for this specific population.
- If the union is asked to make concessions around dollars during this budget shortfall, can there be a solid agreement that these concessions will be recognized and dealt with in the better times.

Cost Savings Comments:

- How is it expected that some savings will occur here at METO?
- What are the "savings" parameters? What type of resource is being considered for reduction?

**Minnesota Sex Offender Program at Moose Lake**
**October 7, 2002**
**(Approximately 100 in attendance)**

Consolidation Comments:

- What's not included here? Is there some message about MSOP moving?
- Staff understands that they were scenarios only, but were still concerned that a very close look be taken at the efficiencies already achieved at Moose Lake. Staff asked how information was going to be obtained from staff, communities and counties.
- There was concern about SOS carefully reviewing and following the labor contracts.
- Recommendation was made to enhance retirement options.
- What are the plans for implementation, timelines/process, etc.?
- The scenario sheets should have all RTCs on the scenario list.
- We need to add back in Anoka and Fergus Falls.

Cost Savings Comments:

- Has Central Office downsized at all during the current consolidation over the past couple of years?
- Suggestion was made to make sure that staff across SOS understands the changes, the reductions that SOS has made.

# Meeting Minutes

**Date:** 9-30-02 **Purpose:** SOS Labor Management Consolidation Study Update

**Attending:** Ken Yozamp, Ken Gansen, Scott Griffey, Doug Seiler, Terry Anderson, Jo Pels, Linda Lange, Mike Tessneer, Mike Morrell, Jane Richey, Rod Kornrumpf, Tudy Fowler (recording)

| TOPIC | DISCUSSION | ACTION |
|---|---|---|
| 1. Follow up since last meeting – general discussion. | 1. A. Opening comments from Mike Tessneer:<br>- Intent is to have report to the legislature by Jan '03.<br>- Beginning the week of 9/30, will hold informational/input meetings with employee groups.<br>- With planning process intent is to continue client services, trying not to reduce capacity, and work toward efficiency.<br>- Due to the pending government transition and the associated uncertainties that lie ahead, SOS is continuing with informational meetings and development of the report.<br>- SOS now held outside the 10% reduction planning. Presently, DHS facing $770 M in reductions.<br>B. General Discussion:<br>- Jane Richey (MAPE) asked when discussions will change from talk of cut backs to cutting full programs. Do we run programs if we cannot fund them?<br>- Linda Lange (MNA) stated she did not believe consolidation fit as a solution. Feels we would remain with the poor/inadequate staffing levels. She suggested only serving the number of clients the Dept can afford and properly staff.<br>- Mike Tessneer added that in this year's surveys, no facility was cited for inadequate staffing levels.<br>- Jane commented on impact of cuts on staffing – recruitment and retention. She believes staff are doing more with less and | 1. No Action necessary. |

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|---|---|---|
| 2. Review of handouts to be disseminated at upcoming staff and community meetings. | that no flexibility remains if anyone calls in sick, etc. The use of OT would be an indicator. Mike T. encouraged everyone to bring specific details/concerns to the Regional Administrators to follow up on.<br><br>2. Looked at handout on "Principles for Consolidation of SOS Campuses." The ultimate goal is to look for partnerships and new ways of doing business.<br>- Believe the option chosen will be based on multiple reasons and not solely on what saves the most money.<br>- Mike Morrell (AFSCME), regarding principle #2, would like it to say that "SOS" will not be reduced rather than "services to our target populations will not be reduced…" Understands we may agree to disagree on this one. The discussion led to the difference of looking at services vs employees.<br>- Principle #3 – agreed to add "SOS" to the beginning of the sentence to better define service capacity.<br>- Ken Yozamp (MMA) asked about breakdown of costs in more detail… by bed, by region. | 2. Mgmt agree to update some of the data sheets. Also agreed to bring a budget spreadsheet regarding the FF CD enterprise program to the 10/11 meeting. |
| **Next Meeting ––** | Next update will be at the 10/11 monthly SOS l-m meeting. 7:30 – 9:30, Roseville. | |

# Meeting Minutes

**Date:** 10-11-02 **Purpose:** SOS Joint Labor Management Meeting

**Attending:** Penny Grev, Mike Tessneer, Bill Hern, Jane Richey, Terry Anderson, Fran Bly, Rod Kornrumpf, Doug Seiler, Jo Pels, Mike Morrell, Scott Grefe, Ken Gansen, Ken Yozamp, Tudy Fowler (recording)

| TOPIC | DISCUSSION | ACTION |
|---|---|---|
| 1. Anoka Update | 1. Department has submitted its correction plan. Anticipate a re-survey/follow up. Also expect related article in Star Tribune on Monday, 10/14. | 1. None. |
| 2. Consolidation Meetings | 2. Discussion and overview of recent facility/staff meetings.<br>• Have completed all meetings with staff<br>• Jo – hearing that some employees feel that plan is already decided and the process is really not open and participatory.<br>• Discussion on the numbers/data listed on handouts. Mike T. stated that the emphasis during the meetings was for staff to look at the process. The document handed out at the meetings was the same "working" document that was distributed at the last l/m mtg. Jo stated it is important to have the numbers so everyone has full information. The numbers are currently being worked on and will be available before the community meetings.<br>• Distributed and discussed draft *Fact Sheet – FY03.*<br>• Brief discussion on Medallion (MI/CD Program). Bill asked about the status of its census. Mike Tessneer stated their status/direction needs to be within their budget.<br>• Jane emphasized need to get info out as soon as possible. Plan is to put info on Intranet. Jane also state she heard employees asking, "What's the point" after | 2. - Will have numbers available before holding community meetings and agree that employees will have the info before the community mtgs.<br>- Data sheets will also be available on the Intranet. |

| | | |
|---|---|---|
| | hearing about the recent budget forecast. Mike Tessneer stated process is important as it will educate all stakeholders and show the potential impact to clients, communities and staff.<br>• Question was asked who set up and how were the community meetings coordinated. The process was coordinated through County Directors. There will be a public service announcement/press release announcing the events. First community meeting scheduled for 10/22. This labor/management group will meet prior to the 22nd.<br>• Mike Tessneer again discussed the function of the meetings (staff and community) and the importance of input and the value of looking at alternatives and new ways of doing business. A suggestion was made to have employees that have already experienced a downsizing/restructuring (like Moose Lake or EMSOCS) and have them share how they dealt with the change. | - Suggestion to consider arranging for employees to talk about successful program restructuring. |
| 3. Budget | 3. Brief comments on recent announcements from DHS Commissioner and the finance report. | 3. None |
| 4. Willmar news article | 4. Mike Tessneer clarified origin of news article. The information came from a "reuse study". He emphasized that the study was about buildings and grounds and not policy and services. The article made the "reuse study" sound like a formal plan when it was not a final document. | 4. None |
| 5. Enterprise Services. | 5. Handout showed recent addition of FTE's to enterprise programs. | 5. Will continue to provide status report to l/m group every couple months. |
| **Next Meeting ––** | **Friday, 10/18 – 7:30 am Roseville** | |

**Meeting Minutes**

**Date**: 9-13-02 **Purpose:** SOS Labor Management Consolidation Study Update

**Attending:** Rod Kornrumpf, Terry Anderson, Jim Behrends, Ken Yozamp (MMA), Jane Richey (MAPE), Tudy Fowler (recording)

| TOPIC | DISCUSSION | ACTION |
|---|---|---|
| 1. Background: | 1. Received directive from 2002 Legislature to evaluate strategies to consolidate the delivery of SOS for people with disabilities. SOS is now moving forward in scheduling meetings with unions, employees, counties, providers and outside stakeholders. | 1. Continue roll out of Consolidation study. |
| 2. Summary of today's meeting | 2. - Have begun process of meeting with Counties.<br>- The end product of the consolidation study will be a *report* and is not intended to be a list of recommendations.<br>- Report will list all possible scenarios.<br>- Jane Richey stated she would like to see the department take a stand and submit actual recommendations. Response from Rod K. - he believes 2-3 scenarios will rise to the top and appear as the most likely options. How this evolves remains to be seen.<br>- Focus of the consolidation will be on the appropriated side of the business, but understand that there may also be an impact on the enterprise programs.<br>- Jane Richey voiced a concern that private folks will want to take on the SOCS business. Rod and Terry both stated there is no intent to put SOCS on the table. SOCS are an important service to the counties and community.<br>- Ken Yozamp asked how/if SOS intends to measure the human factor/impact. | 2. No follow up necessary. Continue with stakeholder meetings.<br>. |
| **Next Meeting ––** | To be announced | |