

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1196

That the Senate recede from its amendments as printed on pages 1329-1334 of the House Journal and pages 1177-1182 of the Senate Journal and that Reengrossed House Bill No. 1196 be amended as follows:

Page 1, line 1, after "Act" insert "to provide for a long-term care nursing scholarship and loan repayment grant program;" and remove "and a new chapter"

Page 1, line 2, remove "to title 43"

Page 1, line 3, remove "and the nursing facility nurses student loan payment program"

Page 1, line 9, remove "to provide for a transfer from the health"

Page 1, line 10, remove "care trust fund;"

Page 1, line 11, remove the second "to provide an"

Page 1, line 12, remove "expiration date;"

Page 4, replace lines 4 through 31 with:

"SECTION 8. Long-term care nursing scholarship and loan repayment grant program."

1. The state health council, in cooperation with the North Dakota long term care association, shall administer the long-term care nursing scholarship and loan repayment grant program. The purpose of the program is to provide matching funds to nursing facilities for the facilities to use in recruiting and retaining nurses by providing scholarships to nursing facility staff and other individuals to obtain a nursing education and by assisting in the repayment of student loans for licensed nurses employed in a nursing facility. The state health council shall adopt rules necessary to administer the program, including rules establishing criteria regarding eligibility for and distribution of program grants.
2. An applicant for a program grant shall establish that the applicant:
 - a. Is a licensed nursing facility;
 - b. Has available matching funds equal to the amount of the grant request; and
 - c. Meets the eligibility criteria established by rule.
3. An eligible applicant may receive a program grant not exceeding five thousand five hundred dollars in the first year of the biennium. Any funds appropriated by the legislative assembly for the grant program which are remaining after the first year of the biennium may be distributed to eligible applicants in the second year of the biennium in any amount determined by the state health council.

SECTION 9. AMENDMENT. Section 23-09.3-01.1 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

23-09.3-01.1. Moratorium on expansion of basic care bed capacity.

1. Except when existing beds are converted for use by a nursing facility that converts licensed nursing facility bed capacity to basic care bed capacity or the alzheimer's and related dementia population under the pilot projects provided for in established under section 50-06-14.4 requests licensure of the facility's existing beds as basic care bed capacity, or unless the applicant demonstrates to the department and to the department of human services that a need for additional basic care bed capacity exists, the department may not issue a license under this chapter for any additional bed capacity above the state's gross licensed capacity of one thousand four hundred seventy-one beds, adjusted by any reduction in beds before July 31, 1999 2001, during the period between August 1, 1999 2001, and July 31, 2004 2003.
2. Transfers of existing beds from one municipality to another municipality must be approved if the licensing requirements are met, during the period August 1, 1999 2001, to July 31, 2004 2003, only to the extent that for each bed transfer approved the total number of licensed beds in the state is reduced by the same number transferred. Existing licensed beds released by a facility which are not immediately and transferred to another facility may not be banked for future transfer to another facility must become licensed within twenty-four months of transfer.
3. Transfer of existing beds from one municipality to a tribal reservation during the period August 1, 2001, to July 31, 2003, may occur only to the extent that the facility transferring beds reduces the facility's licensed capacity by an amount equal to twice the number of beds transferred. A tribal facility may seek to participate, within twenty-four months of any transfer of beds, in the basic care assistance program. Basic care assistance payments may only be made to a tribal facility that agrees to participate and adhere to all federal and state requirements of the basic care assistance program including participation, screening, ratesetting, and licensing requirements.
4. Not more than once in a twelve-month period, a nursing facility may convert licensed nursing facility bed capacity to basic care bed capacity or may convert basic care bed capacity licensed after July 1, 2001, as nursing facility capacity to licensed nursing facility bed capacity. At least ninety days before the conversion, the facility shall notify the state department of the facility's intent to convert bed capacity. The converted beds must be located in the same block of rooms within the facility.

SECTION 10. AMENDMENT. Section 23-16-01.1 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

23-16-01.1. Moratorium on expansion of long-term care bed capacity.

1. Notwithstanding sections 23-16-06 and 23-16-10, except when existing beds are converted for use by the alzheimer's and related dementia population under the projects provided for in section 50-06-14.4 or when a nursing facility converts basic care bed capacity licensed after July 1, 2001, as nursing facility capacity to nursing facility bed capacity, the state department of health may not issue a license for any additional bed capacity above the state's gross licensed capacity of seven thousand one hundred forty beds, adjusted by any reduction in beds before July 31, 1999 2001, during the period between August 1, 1999 2001, and July 31, 2004 2003.

2. Transfers of existing beds from one municipality to another municipality must be approved if the department of health licensing requirements are met, during the period August 1, ~~1999~~ 2001, to July 31, ~~2004~~ 2003, only to the extent that for each bed transfer approved the total number of licensed beds in the state is reduced by the same number transferred. Existing licensed beds released by a facility ~~which are not immediately~~ and transferred to another facility ~~may not be banked for future transfer to another facility~~ must become licensed within twenty-four months of transfer.
3. Transfer of existing beds from one municipality to a tribal reservation during the period August 1, 2001, to July 31, 2003, may occur only to the extent that the facility transferring beds reduces the facility's licensed capacity by an amount equal to twice the number of beds transferred. A tribal facility may seek to participate, within twenty-four months of any transfer of beds, in the medical assistance program. Medical assistance payments may only be made to a medicaid-certified tribal facility that agrees to participate and adhere to all federal and state requirements of the medical assistance program including participation, screening, ratesetting, and licensing requirements.
4. Not more than once in a twelve-month period, a nursing facility may convert licensed nursing facility bed capacity to basic care bed capacity or may convert basic care bed capacity licensed after July 1, 2001, as nursing facility capacity to licensed nursing facility bed capacity. At least ninety days before the conversion, the facility shall notify the state department of health of the facility's intent to convert bed capacity. The converted beds must be located in the same block of rooms within the facility."

Page 5, remove lines 1 through 31

Page 6, remove lines 1 through 18

Page 7, line 9, overstrike "governmental" and insert immediately thereafter "government"

Page 8, line 21, overstrike "'Assisted living facility" has the meaning provided in section 50-24.5-01, but if the"

Page 8, overstrike lines 22 through 30

Page 9, overstrike lines 1 through 12

Page 9, line 13, remove "2."

Page 9, line 22, replace "3" with "2"

Page 9, line 23, replace "4" with "3"

Page 9, line 25, replace "5" with "4"

Page 11, line 10, overstrike "The department's share of the total"

Page 11, line 11, overstrike "cost of" and insert immediately thereafter "An approved loan for", remove "project", and overstrike "is limited to" and insert immediately thereafter "project may not exceed"

Page 14, line 5, after "government" insert "nursing"

Page 14, line 16, replace "\$8,899,774" with "\$12,000,000"

Page 14, line 19, replace "\$3,920,000 relates to" with ", up to \$4,960,000 may be used for"

Page 14, line 23, replace "\$4,100,000" with "\$4,000,000"

Page 14, line 26, replace "\$10,000" with "\$15,000 per bed to a nursing facility that reduces all of its licensed bed capacity, up to \$12,000"

Page 14, line 27, after "to" insert "a", replace "facilities" with "facility", and replace "reduce" with "reduces its"

Page 14, line 28, replace "\$2,500" with "\$8,000", after the second "to" insert "a", replace "facilities" with "facility", and replace "reduce" with "reduces its"

Page 14, line 29, after the period insert "An incentive may not be paid for nursing facility bed capacity that is temporarily converted to basic care bed capacity. The department shall establish rules that allow nursing facilities to make offers to reduce licensed nursing facility bed capacity on a quarterly basis beginning July 1, 2001. To be eligible for an incentive, a nursing facility's offer to reduce bed capacity must be received by the department of human services by the first day of the quarter for which incentives will be approved. Within thirty days of the beginning of the quarter, the department shall inform the facility making an offer of the department's approval or disapproval of the offer. The department shall give priority for incentives to a facility that offers to reduce the entire licensed bed capacity. If offers for reducing bed capacity exceed the department's allocation of funds for incentives for the quarter, a facility that does not have its offer approved may submit the offer for consideration in a subsequent quarter."

Page 15, line 7, after the period insert "A nursing facility may not use any moneys received under this section for the purpose of providing the facility's matching share for a long-term care nursing scholarship and loan repayment grant."

Page 15, line 24, after "**FACILITY**" insert "**AND INTERMEDIATE CARE FACILITY FOR THE MENTALLY RETARDED**"

Page 15, line 25, replace "\$266,400" with "\$309,600"

Page 15, line 26, replace "\$621,600" with "\$708,000"

Page 15, line 28, after "home" insert "and intermediate care for the mentally retarded"

Page 16, line 8, after "needs" insert "and the nursing facility payment system"

Page 16, line 10, after "assessment" insert "and nursing facility payment system"

Page 16, line 11, after the period insert "The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-eighth legislative assembly."

Page 16, line 15, after "assessment" insert "and nursing facility payment system"

Page 16, line 16, replace "biennium" with "period", replace "July 1, 2001," with "with the effective date of this Act", and replace "June 30" with "January 1"

Page 16, remove lines 17 through 19

Page 16, line 20, replace "**NURSING**" with "**LONG-TERM CARE NURSING SCHOLARSHIP AND LOAN REPAYMENT GRANT PROGRAM**"

Page 16, remove line 21

Page 16, line 22, remove "**AUTHORITY - EMERGENCY COMMISSION APPROVAL**"

Page 16, line 23, replace "nursing facility nurses student loan payment" with "health care trust"

Page 16, line 24, replace "\$200,000" with "\$489,500"

Page 16, line 25, replace "nursing facility nurses student loan" with "long-term care nursing scholarship and loan repayment program grants"

Page 16, line 26, remove "payments" and remove "The state"

Page 16, remove lines 27 through 30

Page 17, line 23, replace "\$150,000" with "\$250,000"

Page 19, remove lines 1 and 2

Page 19, line 3, replace "34" with "30, 33", replace "40" with "39", and replace "41" with "40"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1196 - Summary of Conference Committee Action

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
State Department of Health						
Total all funds	\$0	\$200,000	\$289,500	\$489,500	\$489,500	\$0
Less estimated income		<u>200,000</u>	<u>289,500</u>	<u>489,500</u>	<u>489,500</u>	
General fund	\$0	\$0	\$0	\$0	\$0	\$0
Department of Human Services - Management						
Total all funds	\$0	\$8,055,347	\$0	\$8,055,347	\$8,055,347	\$0
Less estimated income		<u>8,055,347</u>		<u>8,055,347</u>	<u>8,055,347</u>	
General fund	\$0	\$0	\$0	\$0	\$0	\$0
Department of Human Services - Economic Assistance						
Total all funds	\$0	\$84,721,181	\$3,129,826	\$87,851,007	\$90,462,530	(\$2,611,523)
Less estimated income		<u>73,071,181</u>	<u>3,129,826</u>	<u>76,201,007</u>	<u>78,812,530</u>	<u>(2,611,523)</u>
General fund	\$0	\$11,650,000	\$0	\$11,650,000	\$11,650,000	\$0

Department of Human Services - Program and Policy						
Total all funds	\$0	\$7,148,302	\$100,000	\$7,248,302	\$7,248,302	\$0
Less estimated income		<u>7,148,302</u>	<u>100,000</u>	<u>7,248,302</u>	<u>7,248,302</u>	
General fund	\$0	\$0	\$0	\$0	\$0	\$0
Bill Total						
Total all funds	\$0	\$100,124,830	\$3,519,326	\$103,644,156	\$106,255,679	(\$2,611,523)
Less estimated income		<u>88,474,830</u>	<u>3,519,326</u>	<u>91,994,156</u>	<u>94,605,679</u>	<u>(2,611,523)</u>
General fund	\$0	\$11,650,000	\$0	\$11,650,000	\$11,650,000	\$0

House Bill No. 1196 - State Department of Health - Conference Committee Action

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Grants			\$489,500	\$489,500	\$489,500	
Nursing facility nurses student loan payment		\$200,000	(200,000)			
Total all funds	\$0	\$200,000	\$289,500	\$489,500	\$489,500	\$0
Less estimated income		<u>200,000</u>	<u>289,500</u>	<u>489,500</u>	<u>489,500</u>	
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

Dept. 301 - State Department of Health - Detail of Conference Committee Changes

	CHANGE LOAN PAYMENT PROGRAM 1	TOTAL CONFERENCE COMMITTEE CHANGES
Grants	\$489,500	\$489,500
Nursing facility nurses student loan payment	(200,000)	(200,000)
Total all funds	\$289,500	\$289,500
Less estimated income	<u>289,500</u>	<u>289,500</u>
General fund	\$0	\$0
FTE	0.00	0.00

¹ The nursing facility nurses student loan payment program is changed to the long-term care nursing scholarship and loan repayment program. The program is changed from the state paying an eligible nursing facility nurse's student loan payment directly to the financial institution as proposed by the House to providing a grant of up to \$5,500 to an eligible nursing facility during the first year of the biennium for the facility to use for providing scholarships to nursing staff or others to obtain a nursing education or for assisting nurses employed by the facility to repay their nursing student loans. Each nursing facility must provide an equal amount as matching. If appropriation authority remains available for the second year of the biennium, the State Health Council may provide additional matching grants to nursing facilities for the same purpose. (Section 8)

This amendment provides a \$489,500 appropriation from the health care trust fund for this program, the same as the Senate version, rather than transferring \$1,000,000 from the health care trust fund to a nursing facility nurses student loan payment fund and providing a \$200,000 appropriation from that fund as included in the House version. (Section 31)

House Bill No. 1196 - Department of Human Services - Management - Conference Committee Action

The Conference Committee did not change the House and Senate version for funding for the Health Insurance Portability and Accountability Act and other technology-related projects. (Section 33)

House Bill No. 1196 - Department of Human Services - Economic Assistance - Conference Committee Action

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Government nursing facility funding pool payments		\$38,750,000		\$38,750,000	\$38,750,000	
Intergovernmental transfer administration		71,158		71,158	71,158	
Nursing facility grants		100,226		100,226	100,226	
Nursing facility loans		8,899,774	\$3,100,226	12,000,000	13,000,000	(1,000,000)
Long-term care needs assessment		241,006		241,006	241,006	
Nursing home bed reduction incentive		4,100,000	(100,000)	4,000,000	4,000,000	
Nursing facility employee compensation		27,296,847		27,296,847	27,296,847	

Basic care employee compensation		673,600		673,600	673,600	
Nursing facility rate limit increase		2,272,820		2,272,820	3,884,343	(1,611,523)
Nursing facility personal care allowance		888,000	129,600	1,017,600	1,017,600	
Basic care personal care allowance		180,000		180,000	180,000	
Qualified service provider training grants		140,000		140,000	140,000	
Targeted case management		<u>1,107,750</u>		<u>1,107,750</u>	<u>1,107,750</u>	
Total all funds	\$0	\$84,721,181	\$3,129,826	\$87,851,007	\$90,462,530	(\$2,611,523)
Less estimated income		<u>73,071,181</u>	<u>3,129,826</u>	<u>76,201,007</u>	<u>78,812,530</u>	<u>(2,611,523)</u>
General fund	\$0	\$11,650,000	\$0	\$11,650,000	\$11,650,000	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

Dept. 327 - Department of Human Services - Economic Assistance - Detail of Conference Committee Changes

	INCREASE LOAN FUNDING ¹	REDUCE BED REDUCTION INCENTIVE FUNDING ²	ALLOWANCE INCREASE FOR ICF/MR ³	TOTAL CONFERENCE COMMITTEE CHANGES
Government nursing facility funding pool payments				
Intergovernmental transfer administration				
Nursing facility grants				
Nursing facility loans	\$3,100,226			\$3,100,226
Long-term care needs assessment				
Nursing home bed reduction incentive		(\$100,000)		(100,000)
Nursing facility employee compensation				
Basic care employee compensation				
Nursing facility rate limit increase				
Nursing facility personal care allowance			\$129,600	129,600
Basic care personal care allowance				
Qualified service provider training grants				
Targeted case management				
Total all funds	\$3,100,226	(\$100,000)	\$129,600	\$3,129,826
Less estimated income	<u>3,100,226</u>	<u>(100,000)</u>	<u>129,600</u>	<u>3,129,826</u>
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

¹ The funding provided for loans is increased to \$12,000,000 from the health care trust fund, \$3,100,226 more than the House version and \$1,000,000 less than the Senate version. (Section 22)

² Funding for the nursing home bed reduction incentive program is reduced by \$100,000 from the health care trust fund, the same as the Senate version. (Section 23)

The maximum incentive payment a facility may receive for each bed reduced is:

- \$15,000 per bed if a facility eliminates its entire licensed bed capacity.
- \$12,000 per bed if a facility reduces at least eight beds.
- \$8,000 per bed if a facility reduces fewer than eight beds.

Under the Senate version, the maximum incentive allowed was \$15,000 per bed. Under the House version, a facility reducing at least eight beds would have received an incentive of \$10,000 per bed, and a facility reducing fewer than eight beds would have received an incentive of \$2,500 per bed.

Provisions are added providing that the department:

- May not pay an incentive to a nursing facility that is temporarily converting nursing facility bed capacity to basic care bed capacity.
- Shall allow for nursing facilities to make offers to reduce bed capacity each quarter.
- Shall give priority for incentives to facilities that reduce their entire licensed bed capacity.
- Shall inform a nursing facility within thirty days of the beginning of each quarter regarding the department's approval or disapproval of the facility's offer to reduce beds.

Provisions are added providing that:

- To be eligible for an incentive in a particular quarter, a nursing facility's bid to reduce bed capacity must be received by the Department of Human Services by the first day of the quarter for which the incentives will be approved.

- A nursing facility may resubmit a bid that was not approved in one quarter in a subsequent quarter.

³ Additional funding of \$43,200 is provided from the health care trust fund and \$86,400 of federal funds is provided to increase the personal care allowance for individuals residing in intermediate care facilities for the mentally retarded from \$40 to \$50 per month, the same as the Senate version. (Section 27)

Provisions are added that:

- Preclude nursing facilities from using moneys received for compensation enhancements (Section 24) for matching long-term care nursing scholarship and loan repayment grants. (Section 8)
- Remove the definition of "assisted living facility" from NDCC Chapter 50-30. (Section 12)
- Expand the long-term care needs assessment study to include the nursing facility payment system and allow the study to begin prior to the 2001-03 biennium. (Section 30)

Sections 9 and 10 of the bill relating to the moratoriums on the expansion of long-term care and basic care bed capacity are changed to reflect the provisions of Senate Bill No. 2098 which has passed both the House and Senate.

Funding is included to rebase nursing facility limits to 1999, the same as the House version. (Section 26) The Senate had added \$1,611,523, which included \$483,457 from the health care trust fund to rebase to 2000.

House Bill No. 1196 - Department of Human Services - Program and Policy - Conference Committee Action

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Service payments for elderly and disabled		\$6,898,302		\$6,898,302	\$6,898,302	
Senior citizen mill levy match		150,000	\$100,000	250,000	250,000	
Independent living center grants		100,000		100,000	100,000	
Total all funds	\$0	\$7,148,302	\$100,000	\$7,248,302	\$7,248,302	\$0
Less estimated income		<u>7,148,302</u>	<u>100,000</u>	<u>7,248,302</u>	<u>7,248,302</u>	
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

Dept. 328 - Department of Human Services - Program and Policy - Detail of Conference Committee Changes

	INCREASE SENIOR MILL MATCH FUNDING ¹	TOTAL CONFERENCE COMMITTEE CHANGES
Service payments for elderly and disabled		
Senior citizen mill levy match	\$100,000	\$100,000
Independent living center grants		
Total all funds	\$100,000	\$100,000
Less estimated income	<u>100,000</u>	<u>100,000</u>
General fund	\$0	\$0
FTE	0.00	0.00

¹ Funding for the senior citizen mill levy match is increased by \$100,000, the same as the Senate version. (Section 35)