

**FIRST ENGROSSMENT
with Conference Committee Amendments**

ENGROSSED SENATE BILL NO. 2097

Introduced by

Human Services Committee

(At the request of the Department of Human Services)

1 A BILL for an Act to amend and reenact subsection 1 of section 50-24.4-23 and section
2 50-24.4-08 of the North Dakota Century Code, relating to reporting requirements for nursing
3 homes.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1. AMENDMENT.** Subsection 1 of section 50-24.4-23 of the North Dakota
6 Century Code is amended and reenacted as follows:

7 1. No later than October first of each year, each nursing home ~~which~~ that receives
8 medical assistance payments from the department shall:

9 a. ~~Provide~~ Except for state-owned facilities, provide the department with a copy
10 of its audited report that meets the reporting standards of the American
11 institute of certified public accountants and includes an audited statement of
12 the rate or rates charged to private-paying residents. The examination by the
13 certified public accountant must be conducted in accordance with generally
14 accepted auditing standards as promulgated and adopted by the American
15 institute of certified public accountants;

16 b. Provide the department with a statement of ownership for the facility or a
17 certification that ownership has not changed since the most recent statement
18 given pursuant to this subsection;

19 c. Provide the department with ~~separate~~, audited financial statements as
20 specified in subdivision a of this subsection for every other facility owned in
21 whole or in part by an individual or entity which has an ownership interest in
22 the facility;

23 d. Upon request, provide the department with ~~separate~~, audited financial
24 statements as specified in subdivision a of this subsection for every

- 1 organization with which the facility conducts business and which is owned in
2 whole or in part by an individual or entity which has an ownership interest in
3 the facility;
- 4 e. Provide the department with copies of leases, purchase agreements,
5 appraisals, financing arrangements, and other documents related to the lease
6 or purchase of the nursing facility, or a certification that the content of any
7 such document remains unchanged since the most recent statement given
8 pursuant to this subsection;
- 9 f. Upon request, provide the department with copies of leases, purchase
10 agreements, and other documents related to the acquisition of equipment,
11 goods, and services which are claimed as allowable costs; and
- 12 g. Permit access by the department to the certified public accountant's audit
13 workpapers which support the audited financial statements required in
14 subdivisions a, c, and d of this subsection.

15 **SECTION 2. AMENDMENT.** Section 50-24.4-08 of the North Dakota Century Code is
16 amended and reenacted as follows:

17 **50-24.4-08. Notice of increases to private-paying residents.** No increase in nursing
18 home rates for private-paying residents is effective unless the nursing home notifies the
19 resident or person responsible for payment of the increase in writing thirty days before the
20 increase takes effect. A nursing home may adjust its rates without giving the notice required by
21 this section when the purpose of the rate adjustment is to reflect a necessary change in the
22 category of care provided to a resident. If the department fails to set rates at least forty days
23 prior to the beginning of a rate year, the time required for giving notice is decreased by the
24 number of days by which the department was late in setting the rates, except when a facility
25 fails to file a cost report by October first.