

PROPOSED AMENDMENTS TO SENATE BILL NO. 2097

Page 1, line 1, after "to" insert "create and enact a new section to chapter 50-24.4 of the North Dakota Century Code, relating to nursing home reporting requirements; to", replace "subdivision a of subsection 1 of section" with "sections", and after "50-24.4-23" insert "and 50-24.4-08"

Page 1, line 2, replace "state-owned human service facility audits" with "reporting requirements for nursing homes; to repeal sections 50-24.4-23 and 50-24.4-25 of the North Dakota Century Code, relating to extending reporting deadlines to nursing homes; to provide an effective date; and to provide an expiration date"

Page 1, line 4, replace "Subdivision a of subsection 1 of section" with "Section"

Page 1, replace lines 6 through 12 with:

"50-24.4-23. Reporting requirements.

1. No later than October first of each year, each nursing home ~~which~~ that receives medical assistance payments from the department shall:
 - a. ~~Provide~~ Except for state-owned facilities, provide the department with a copy of its audited report that meets the reporting standards of the American institute of certified public accountants and includes an audited statement of the rate or rates charged to private-paying residents. The examination by the certified public accountant must be conducted in accordance with generally accepted auditing standards as promulgated and adopted by the American institute of certified public accountants;
 - b. Provide the department with a statement of ownership for the facility or a certification that ownership has not changed since the most recent statement given pursuant to this subsection;
 - c. Provide the department with ~~separate~~, audited financial statements as specified in subdivision a of this subsection for every other facility owned in whole or in part by an individual or entity which has an ownership interest in the facility;
 - d. Upon request, provide the department with ~~separate~~, audited financial statements as specified in subdivision a of this subsection for every organization with which the facility conducts business and which is owned in whole or in part by an individual or entity which has an ownership interest in the facility;
 - e. Provide the department with copies of leases, purchase agreements, appraisals, financing arrangements, and other documents related to the lease or purchase of the nursing facility, or a certification that the content of any such document remains unchanged since the most recent statement given pursuant to this subsection;
 - f. Upon request, provide the department with copies of leases, purchase agreements, and other documents related to the acquisition of equipment, goods, and services which are claimed as allowable costs; and

- g. Permit access by the department to the certified public accountant's audit workpapers which support the audited financial statements required in subdivisions a, c, and d of this subsection.
2. Documents or information provided to the department pursuant to this chapter must be public. If the requirements of subsection 1 are not met, the reimbursement rate may be reduced to eighty percent of the rate in effect on the first day of the fourth calendar month after the close of the reporting year, and the reduction must continue until the requirements are met.

SECTION 2. A new section to chapter 50-24.4 of the North Dakota Century Code is created and enacted as follows:

Reporting requirements.

1. The department shall establish by rule reporting requirements for each nursing home that receives medical assistance payments from the department.
2. Documents or information provided to the department under this chapter are open records. If the reporting requirements established under subsection 1 are not met, the department may reduce the payment rates to eighty percent of the rates in effect on the first day of the fourth calendar month after the close of the reporting year, and the reduction must continue until the requirements are met.

SECTION 3. AMENDMENT. Section 50-24.4-08 of the North Dakota Century Code is amended and reenacted as follows:

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

SECTION 4. REPEAL. Sections 50-24.4-23 and 50-24.4-25 of the North Dakota Century Code are repealed.

SECTION 5. EFFECTIVE DATE. Section 2 of this Act becomes effective on February 1, 2002, and section 4 of this Act becomes effective on January 31, 2002.

SECTION 6. EXPIRATION DATE. Section 1 of this Act is effective through January 1, 2002, and after that date is ineffective."

Renumber accordingly