11.0346.03001

### FIRST ENGROSSMENT

Sixty-second Legislative Assembly of North Dakota

## **ENGROSSED HOUSE BILL NO. 1152**

Introduced by

Representatives Devlin, Vigesaa, J. Nelson, Kaldor Senators Christmann, Robinson

- 1 A BILL for an Act to provide for a hospital grant; and to provide an appropriation.for an Act to
- 2 provide for medicaid supplemental payments to critical access hospitals; and to provide an
- 3 appropriation.

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

# SECTION 1. HOSPITAL GRANTS.

- 1. During the 2011-13 biennium, the state department of health shall contract with the North Dakota hospital association to administer a grant program for hospitals. The administrative costs of the party administering the grant program may not exceed the lesser of actual direct costs or five percent of the grant program appropriation. The party administering the grant program may establish a committee to review grant applications and to make grant award determinations.
- 2. In order to qualify for a grant under this section, an applicant may not have previously received a grant under this section. A grant application must specify how grant funds will be utilized by the recipient, include requested fiscal and demographic information, and include any supporting documentation required by the party administering the grant program.
- 3. Grant funds must be used for extraordinary expenditures and deferred maintenance, such as major building repairs, one-time capital purchases, and energy efficiency upgrades, and for implementation of health information technology and electronic medical records.
- 4. In order to qualify for a grant under this section, an applicant:
  - a. Must be a critical access hospital that has experienced a loss based on at least two of the previous three years of medicare costs reports in order to qualify for a grant not to exceed two hundred thousand dollars;

- b. Must be a critical access hospital that does not qualify under subdivision a in order to qualify for a grant not to exceed one hundred thousand dollars; or
- c. Must be a long-term care acute hospital in order to qualify for a grant not to exceed one hundred thousand dollars.
  - 5. As a condition of receipt of a grant under this section, a recipient shall agree that during the 2011-13 biennium the recipient will provide the grant administrator with periodic reports on the status and use of the grant funds distributed. The grant administrator shall provide the state department of health with status reports on the grant program and on recipient postaward reports. A grant award may be distributed to a qualified recipient over the course of the 2011-13 biennium as may be provided under the terms of the grant award. If the state department of health determines a recipient has used grant funds in a manner inconsistent with the terms of this section or of the grant award, the recipient shall return that portion of the award to the state department of health.
- 6. The name of a grant applicant, the name of a grant recipient, the amount of grant funds awarded, and the amount of grant funds distributed are public information.

  However, material in a grant application or postaward report may be exempt or confidential under section 44-04-18.4.

**SECTION 2. APPROPRIATION.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$6,500,000, or so much of the sum as may be necessary, to the state department of health for the purpose of providing grants to hospitals under section 1 of this Act, for the biennium beginning July 1, 2011, and ending June 30, 2013.

## SECTION 1. MEDICAID SUPPLEMENTAL PAYMENT - CRITICAL ACCESS HOSPITALS.

The department of human services shall provide a medicaid supplemental payment to critical access hospitals. The department shall seek federal medicaid funding to support the supplemental payments.

**SECTION 2. APPROPRIATION.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$1,527,802, or so much of the sum as may be necessary, and from federal funds, the sum of \$1,926,259, or so much of the sum as may be necessary, to the department of human services for the purpose of providing

- 1 medicaid supplemental payments to critical access hospitals under section 1 of this Act, for the
- biennium beginning July 1, 2011, and ending June 30, 2013.