

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2012

That the House recede from its amendments as printed on pages 1609-1621 of the Senate Journal and pages 1780-1791 of the House Journal and that Engrossed Senate Bill No. 2012 be amended as follows:

Page 1, line 4, replace "section" with "subsection 9 of section 50-06.4-10 and sections 50-24.1-31,"

Page 1, line 4, after "50-24.1-37" insert ", and 54-27-25"

Page 1, line 5, after the first "to" insert "the brain injury advisory council, optional medical assistance for children,"

Page 1, line 5, after "program" insert ", and tobacco settlement trust fund allocations; to provide a statement of legislative intent"

Page 1, line 7, after "exemption" insert "; to provide an effective date; to provide an expiration date"

Page 1, remove lines 19 through 23

Page 2, replace lines 1 and 2 with:

"Salaries and wages	\$26,280,139	(\$6,057,639)	\$20,222,500
Operating expenses	116,315,826	31,908,694	148,224,520
Capital assets	0	50,000	50,000
Grants	204,000	(204,000)	0
Total all funds	\$142,799,965	\$25,697,055	\$168,497,020
Less estimated income	<u>85,679,558</u>	<u>18,127,188</u>	<u>103,806,746</u>
Total general fund	\$57,120,407	\$7,569,867	\$64,690,274"

Page 2, replace lines 6 through 13 with:

"Salaries and wages	\$62,782,944	\$6,211,929	\$68,994,873
Operating expenses	125,299,436	25,662,147	150,961,583
Capital assets	10,000	0	10,000
Grants	441,420,827	11,933,680	453,354,507
Grants - medical assistance	<u>2,373,678,247</u>	<u>368,479,473</u>	<u>2,742,157,720</u>
Total all funds	\$3,003,191,454	\$412,287,229	\$3,415,478,683
Less estimated income	<u>1,945,157,519</u>	<u>287,410,619</u>	<u>2,232,568,138</u>
Total general fund	\$1,058,033,935	\$124,876,610	\$1,182,910,545"

Page 2, replace lines 18 through 22 with:

"Human service centers	\$196,049,489	\$8,651,654	\$204,701,143
Institutions	<u>140,421,224</u>	<u>4,025,921</u>	<u>144,447,145</u>
Total all funds	\$336,470,713	\$12,677,575	\$349,148,288
Less estimated income	<u>138,543,705</u>	<u>(4,458,085)</u>	<u>134,085,620</u>
Total general fund	\$197,927,008	\$17,135,660	\$215,062,668"

Page 2, replace lines 27 and 28 with:

"County social services	\$0	\$173,700,000	\$173,700,000
Total special funds	\$0	\$173,700,000	\$173,700,000"

Page 3, replace lines 3 through 6 with:

"Grand total general fund	\$1,313,081,350	\$149,582,137	\$1,462,663,487
Grand total special funds	<u>2,169,380,782</u>	<u>474,779,722</u>	<u>2,644,160,504</u>
Grand total all funds	\$3,482,462,132	\$624,361,859	\$4,106,823,991
Full-time equivalent positions	2,162.23	68.00	2,230.23"

Page 3, after line 20, insert:

"Hyperbaric oxygen therapy grant	0	335,000"
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Page 3, replace line 22 with:

"Total all funds	\$430,650,000	\$22,068,926"
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Page 3, replace line 24 with:

"Total general fund	\$26,150,000	\$1,512,603"
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Page 5, after line 4, insert:

"SECTION 5. AMENDMENT. Subsection 9 of section 50-06.4-10 of the North Dakota Century Code is amended and reenacted as follows:

9. The department shall provide the council with administrative contract with a private, nonprofit agency that does not provide brain injury services, to facilitate and provide support services to the council.

SECTION 6. AMENDMENT. Section 50-24.1-31 of the North Dakota Century Code is amended and reenacted as follows:

50-24.1-31. Optional medical assistance for families of children with disabilities.

The department of human services shall establish and implement a buyin program under the federal Family Opportunity Act enacted as part of the Deficit Reduction Act of 2005 [Pub. L. 109-171; 120 Stat. 4; 42 U.S.C. 1396] to provide medical assistance and other health coverage options to families of children with disabilities and whose net income does not exceed two hundred fifty percent of the federal poverty line."

Page 5, line 7, remove the overstrike over "**Effective**"

Page 5, line 8, remove the overstrike over "**January 1, 2014, through July 31,**"

Page 5, line 8, after "**2019**" insert "2021"

Page 6, after line 22, insert:

"SECTION 8. AMENDMENT. Section 50-24.1-37 of the North Dakota Century Code is amended and reenacted as follows:

50-24.1-37. Medicaid expansion - Legislative management report. (Effective January 1, 2014, through July 31, 2019)~~2021~~ - Contingent repeal - See note)

1. The department of human services shall expand medical assistance coverage as authorized by the federal Patient Protection and Affordable Care Act [Pub. L. 111-148], as amended by the Health Care and Education Reconciliation Act of 2010 [Pub. L. 111-152] to individuals under sixty-five years of age with income below one hundred thirty-eight percent of the federal poverty level, based on modified adjusted gross income line published by the federal office of management and budget applicable to the household size.
2. The department of human services shall inform new enrollees in the medical assistance expansion program that benefits may be reduced or eliminated if federal participation decreases or is eliminated.
3. ~~The~~Except for pharmacy services, the department shall implement the expansion by bidding through private carriers or utilizing the health insurance exchange.
4. ~~The contract between the department and the private carrier must:~~
 - a. ~~Provide a reimbursement methodology for all medications and dispensing fees which identifies the minimum amount paid to pharmacy providers for each medication. The reimbursement methodology, at a minimum, must:~~
 - (1) ~~Be available on the department's website; and~~
 - (2) ~~Encompass all types of pharmacy providers regardless of whether the pharmacy benefits are being paid through the private carrier or contractor or subcontractor of the private carrier under this section.~~
 - b. ~~Provide full transparency of all costs and all rebates in aggregate.~~
 - c. ~~Allow an individual to obtain medication from a pharmacy that provides mail order service; however, the contract may not require mail order to be the sole method of service and must allow for all contracted pharmacy providers to dispense any and all drugs included in the benefit plan and allowed under the pharmacy provider's license.~~
 - d. ~~Ensure that pharmacy services obtained in jurisdictions other than this state and its three contiguous states are subject to prior authorization and reporting to the department for eligibility verification.~~
 - e. ~~Ensure the payments to pharmacy providers do not include a required payback amount to the private carrier or one of the private carrier's contractors or subcontractors which is not representative of the amounts allowed under the reimbursement methodology provided in subdivision a.~~
5. The contract between the department and the private carrier must provide the department with full access to provider reimbursement rates. The department shall consider provider reimbursement rate information in selecting a private carrier under this section. Before August first of each

even-numbered year, the department shall submit a report to the legislative management regarding provider reimbursement rates under the medical assistance expansion program. This report may provide cumulative data and trend data but may not disclose identifiable provider reimbursement rates.

- ~~6.5.~~ Provider reimbursement rate information received by the department under this section and any information provided to the department of human services or any audit firm by a pharmacy benefit manager under this section is confidential, except the department may use the reimbursement rate information to prepare the report to the legislative management as required under this section.

SECTION 9. AMENDMENT. Section 54-27-25 of the North Dakota Century Code is amended and reenacted as follows:

54-27-25. Tobacco settlement trust fund - Interest on fund - Uses. (Effective through June 30, 2019)

1. There is created in the state treasury a tobacco settlement trust fund. The fund consists of the tobacco settlement dollars obtained by the state under subsection IX(c)(1) of the master settlement agreement and consent agreement adopted by the east central judicial district court in its judgment entered December 28, 1998 [Civil No. 98-3778] in State of North Dakota, ex rel. Heidi Heitkamp v. Philip Morris, Inc. Except as provided in subsection 2, moneys received by the state under subsection IX(c)(1) must be deposited in the fund. Interest earned on the fund must be credited to the fund and deposited in the fund. The principal and interest of the fund may be appropriated to the attorney general for the purpose of enforcing the master settlement agreement and any disputes with the agreement. All remaining principal and interest of the fund must be allocated as follows:
 - a. Transfers to a community health trust fund to be administered by the state department of health. The state department of health may use funds as appropriated for community-based public health programs and other public health programs, including programs with emphasis on preventing or reducing tobacco usage in this state. Transfers under this subsection must equal fifty-five percent of total annual transfers from the tobacco settlement trust fund. Transfers to the water development trust fund to be used to address the long-term water development and management needs of the state. Transfers under this subsection must equal forty-five percent of the total annual transfers from the tobacco settlement trust fund.
2. There is created in the state treasury a tobacco prevention and control trust fund. The fund consists of the tobacco settlement dollars obtained by the state under section IX(c)(2) of the agreement adopted by the east central judicial district court in its judgment entered December 28, 1998 [Civil No. 98-3778] in State of North Dakota, ex rel. Heidi Heitkamp v. Philip Morris, Inc. Interest earned on the fund must be credited to the fund and deposited in the fund. Moneys received into the fund are to be used as appropriated by the legislative assembly.

3. Transfers to the funds under this section must be made within thirty days of receipt by the state.

Tobacco settlement trust fund - Interest on fund - Uses. (Effective after June 30, 2019)

1. There is created in the state treasury a tobacco settlement trust fund. The fund consists of the tobacco settlement dollars obtained by the state under subsection IX(c)(1) of the master settlement agreement and consent agreement adopted by the east central judicial district court in its judgment entered December 28, 1998 [Civil No. 98-3778] in State of North Dakota, ex rel. Heidi Heitkamp v. Philip Morris, Inc. Except as provided in subsection 2, moneys received by the state under subsection IX(c)(1) must be deposited in the fund. ~~Interest earned on the fund must be credited to the fund and deposited in the fund. The principal and interest of the fund may be appropriated to the attorney general for the purpose of enforcing the master settlement agreement and any disputes with the agreement. All remaining principal and interest of the fund must be allocated as follows:~~
 - a. ~~Transfers~~Moneys in the fund must be transferred within thirty days of receipt by the state to a community health trust fund ~~to be-~~ administered by the state department of health. The state department of health may use funds as Moneys in the fund may be appropriated for community-based public health programs and other public health programs, including programs with emphasis on preventing or reducing tobacco usage in this state. ~~Transfers under this subsection must equal ten percent of total annual transfers from the tobacco settlement trust fund.~~
 - b. ~~Transfers to the common schools trust fund to become a part of the principal of that fund. Transfers under this subsection must equal forty five percent of total annual transfers from the tobacco settlement trust fund.~~
 - c. ~~Transfers to the water development trust fund to be used to address the long term water development and management needs of the state. Transfers under this subsection must equal forty five percent of the total annual transfers from the tobacco settlement trust fund.~~
2. There is created in the state treasury a tobacco prevention and control trust fund. The fund consists of the tobacco settlement dollars obtained by the state under section IX(c)(2) of the agreement adopted by the east central judicial district court in its judgment entered December 28, 1998 [Civil No. 98-3778] in State of North Dakota, ex rel. Heidi Heitkamp v. Philip Morris, Inc. Interest earned on the fund must be credited to the fund and deposited in the fund. Moneys received into the fund are to be used as appropriated by the legislative assembly.
3. ~~Transfers to the funds under this section must be made within thirty days of receipt by the state."~~

Page 7, line 15, replace "\$182,300,000" with "\$173,700,000"

Page 7, line 16, remove "a"

Page 7, line 16, remove the second "service"

Page 7, line 17, replace "redesign project" with "and human services"

Page 7, after line 21, insert:

"SECTION 15. ESTIMATED INCOME - COMMUNITY HEALTH TRUST FUND.

The estimated income line item in subdivision 2 of section 1 of this Act includes the sum of \$32,400,000 from the community health trust fund for defraying expenses in the medical services division.

SECTION 16. ESTIMATED INCOME - HEALTH CARE TRUST FUND - NURSING HOME OPERATING MARGIN ADJUSTMENT.

The estimated income line item in subdivision 2 of section 1 of this Act includes the sum of \$1,000,000 from the health care trust fund and \$1,062,000 from other funds derived from federal funds. These funds must be used to increase the nursing facility operating margin up to 4.4 percent for the period beginning January 1, 2020, and ending June 30, 2021. Notwithstanding any other provision of law, the draft appropriations acts submitted to the legislative assembly for the 2021-23 biennium pursuant to section 54-44.1-06 may not contain a nursing facility operating margin in excess of 3.74 percent.

SECTION 17. EXPENDITURES MAY NOT EXCEED APPROPRIATION - MEDICAL ASSISTANCE EXPANSION PROGRAM.

1. Subdivision 2 of section 1 of this Act includes the sum of \$567,367,511, of which \$60,776,487 is from the general fund, for the medical assistance expansion program for the biennium beginning July 1, 2019, and ending June 30, 2021. The expenditures for individuals eligible for the medical assistance expansion program may not exceed this amount. For purposes of this section:
 - a. Expenditures do not include those made for individuals identified as medically frail and who receive services through the traditional Medicaid program administered by the department of human services for which there is a separate appropriation of \$5,185,101 included in subdivision 2 of section 1 of this Act.
 - b. Expenditures do not include prescription drugs for the medical assistance expansion program population which is administered by the department of human services through its fee-for-service Medicaid program for which there is a separate appropriation of \$52,548,356 included in subdivision 2 of section 1 of this Act.
 - c. Expenditures do not include funding from the federal health insurance provider fee for which a separate appropriation of \$9,619,987 is included in subdivision 2 of section 1 of this Act.
2. The department of human services may exceed appropriations for increases in medical assistance expansion program caseload and for the addition of coverage consistent with the traditional Medicaid 1915i state plan.
3. The managed care organization under contract with the department to manage the medical assistance expansion program shall reimburse providers within the same provider type and specialty at consistent levels and with consistent methodology and may not provide incentive, quality, or supplemental payments to providers, unless part of a value-based program offered to all eligible providers and approved by the department. The

managed care organization may consider urban and rural providers as different provider types. Critical access hospitals may not be paid less than one hundred percent of Medicare allowable costs.

4. The managed care organization and the department of human services shall ensure payments to Indian or Tribal 638 health care providers, federally qualified health centers, and rural health clinics meet the federally required minimum levels of reimbursement.
5. The department of human services shall ensure providers within the same provider type and specialty are reimbursed at consistent levels and with consistent methodology and shall ensure the capitation rates under risk contracts are actuarially sound and are adequate to meet managed care organization contractual requirements regarding availability of services, assurance of adequate capacity and services, and coordination and continuity of care."

Page 7, line 24, remove the second "and"

Page 7, line 25, remove "implement"

Page 7, line 28, replace "use of" with "potential need for"

Page 8, line 2, remove the second "and"

Page 8, line 4, after "centers" insert: "; and"

5. The potential use of available Medicaid authorities, including waivers or plan amendments"

Page 8, remove lines 5 and 6

Page 8, line 7, remove "Medicaid demonstration waiver."

Page 8, replace lines 10 through 28 with:

"SECTION 19. REVISED PAYMENT METHODOLOGY FOR NURSING FACILITY SERVICES - REPORT TO LEGISLATIVE MANAGEMENT. The department of human services shall develop an implementation plan for a revised payment methodology for nursing facility services that must include recommendations for:

1. Methods of reimbursement for nursing facility cost categories including direct patient care, administrative expenses, and capital assets;
2. Considerations regarding establishing peer groups for payments based on factors such as geographical location or nursing facility size;
3. The feasibility and desirability of equalizing payments for nursing facilities in the same peer group, including the time frame for equalization; and
4. Payment incentives related to care quality or operational efficiency.

The executive director of the department of human services and representatives of the nursing home industry shall appoint a committee to advise the department on the development of the revised payment methodology for nursing facility services. Before October 1, 2020, the department shall report to the legislative management regarding the plan to implement the revised payment methodology. The

estimated costs related to the implementation of the revised payment methodology must be included in the department's 2021-23 biennium budget request submitted to the sixty-seventh legislative assembly.

SECTION 20. HYPERBARIC OXYGEN THERAPY PILOT PROGRAM GRANT.

Subdivision 2 of subsection 1 of this Act includes the sum of \$335,000 from the general fund for the purpose of providing a grant to an entity to develop a hyperbaric oxygen therapy pilot program.

SECTION 21. ADAPTIVE SKIING GRANT - EXEMPTION. Subdivision 2 of section 1 of this Act includes the sum of \$200,000 from the general fund for a grant for an adaptive skiing program affiliated with a winter park that is located in a county of less than 10,000 individuals. The requirements of chapter 54-44.4 do not apply to the selection of a grantee, the grant award, or payments made under this section.

SECTION 22. PERMANENT HOUSING PROGRAM GRANTS - EXEMPTION - REPORT TO LEGISLATIVE MANAGEMENT. Subdivision 3 of section 1 of this Act includes the sum of \$925,000 from the general fund to provide grants to entities to provide services to individuals experiencing chronic homelessness in the northeast and southeast human service regions. The requirements of chapter 54-44.4 do not apply to the selection of grantees, the grant awards, or payments made under this section. The department of human services' oversight for these services is limited to receiving information relating to annual service numbers and the expenditure of appropriated funds for these services. The department shall develop and implement standardized processes for the distribution of the permanent housing grants.

The funds identified for permanent housing grants may be used only for services not reimbursed by other funding sources. The department of human services, in cooperation with the grant recipients, shall provide reports to the legislative management during the 2019-20 interim regarding the services provided by the programs, the nonidentifiable demographics of the individuals receiving services, and the other funding or reimbursement being used to support the programs.

SECTION 23. SCHOOL BEHAVIORAL HEALTH GRANTS. Subdivision 2 of section 1 of this Act includes the sum of \$1,500,000 from the general fund for the purpose of providing behavioral health services and support grants to school districts to address student behavioral health needs. To be eligible to receive a student behavioral health grant, a school district must submit a plan to the department of human services detailing the school district's collaboration with other regional school districts regarding student behavioral health needs and the use of grant funding to develop student behavioral health interventions. A school district may not use grant funding to duplicate or fund existing services. The department of human services shall provide student behavioral health grants only during the second year of the 2019-21 biennium."

Page 8, line 30, after "\$300,000" insert "from the general fund"

Page 10, after line 8, insert:

"SECTION 31. EXEMPTION. The sum of \$728,207 from the general fund appropriated for the department's operating expenses for the legal advisory unit in chapter 11 of the 2017 Session Laws is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation may be used for the Ireland lawsuit or its settlement during the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 32. EXEMPTION. The sum of \$150,000 from the general fund appropriated for the purpose of establishing a children's prevention and early intervention behavioral health services pilot project in chapter 333 of the 2017 Session Laws is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available to be used for the completion of the children's prevention and early intervention behavioral health services pilot project during the biennium beginning July 1, 2019, and ending June 30, 2021."

Page 11, line 24, after "disturbance" insert "for dates of service"

Page 11, line 30, after "illness" insert "for dates of service"

Page 12, after line 5, insert:

"SECTION 43. IMPLEMENTATION OF 1915i MEDICAID STATE PLAN. The department of human services shall implement and manage a 1915i Medicaid state plan amendment for children and adults, for the period beginning July 1, 2020, and ending June 30, 2021. The requirements of chapter 54-44.4 do not apply to the addition of coverage consistent with the traditional Medicaid 1915i state plan to the managed care contract between the department of human services and the Medicaid expansion managed care organization. The department of human services and the Medicaid managed care organization shall ensure the appropriate contract amendment is adopted for coverage to begin July 1, 2020.

SECTION 44. HOME AND COMMUNITY-BASED SERVICES TARGETED POPULATION. The department of human services shall adopt rules, on or before January 1, 2021, establishing a process and requirements to involve public and private entities in identifying individuals who are at serious risk of accessing Medicaid-funded long-term care in a nursing facility and inform them about home and community-based services options.

SECTION 45. AUTISM SPECTRUM DISORDER TASK FORCE. The department of human services shall consult with the autism spectrum disorder task force at the November 2019 task force meeting to evaluate biennium autism spectrum disorder Medicaid waiver expenditures to date. Based on input from the task force, the department may expand the number of slots or increase the ages covered by the autism spectrum disorder Medicaid waiver for the remainder of the 2019-21 biennium.

SECTION 46. AUTISM SPECTRUM DISORDER VOUCHER PROGRAM. The department of human services shall propose changes to North Dakota administrative code to seek additional flexibility for the administration of the autism spectrum disorder voucher program to ensure more families can be served within available appropriations. The proposed administrative code changes should consider changes that include a voucher that is solely for technology support and one that is for in-home supports; adding case management or parent-to-parent support as an allowable service for voucher funds; and reducing the amount of time during which a household may use approved voucher funds."

Page 12, after line 17, insert:

"SECTION 49. LEGISLATIVE INTENT - UTILIZATION RATE ADJUSTMENTS. It is the intent of the sixty-sixth legislative assembly that the department of human services seek a deficiency appropriation from the sixty-seventh legislative assembly for any expenditures that exceed appropriated amounts as a result of reductions made in

estimated utilization rates during the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 50. EFFECTIVE DATE. Section 8 of this Act becomes effective on January 1, 2020.

SECTION 51. EXPIRATION DATE. Section 7 of this Act is effective through December 31, 2019, and after that date is ineffective."

Page 12, line 19, replace "21" with "34"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2012 - Summary of Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
State Department of Health						
Total all funds	\$0	\$0	\$0	\$0	\$335,000	(\$335,000)
Less estimated income	0	0	0	0	0	0
General fund	\$0	\$0	\$0	\$0	\$335,000	(\$335,000)
FTE	0.00	0.00	0.00	0.00	0.00	0.00
DHS - Management						
Total all funds	\$142,799,965	\$168,418,321	\$78,699	\$168,497,020	\$168,497,020	\$0
Less estimated income	85,679,558	103,780,027	26,719	103,806,746	103,806,746	0
General fund	\$57,120,407	\$64,638,294	\$51,980	\$64,690,274	\$64,690,274	\$0
FTE	140.45	107.95	0.00	107.95	107.95	0.00
DHS - Program/Policy						
Total all funds	\$3,003,191,454	\$3,447,390,889	(\$31,912,206)	\$3,415,478,683	\$3,414,643,683	\$835,000
Less estimated income	1,945,157,519	2,191,493,617	41,074,521	2,232,568,138	2,200,168,138	32,400,000
General fund	\$1,058,033,935	\$1,255,897,272	(\$72,986,727)	\$1,182,910,545	\$1,214,475,545	(\$31,565,000)
FTE	366.50	377.25	6.00	383.25	383.25	0.00
DHS - County Social Services						
Financing						
Total all funds	\$0	\$182,300,000	(\$8,600,000)	\$173,700,000	\$173,700,000	\$0
Less estimated income	0	182,300,000	(8,600,000)	173,700,000	173,700,000	0
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	223.00	(83.00)	140.00	140.00	0.00
DHS - Field Services						
Total all funds	\$336,470,713	\$351,044,271	(\$1,895,983)	\$349,148,288	\$349,048,288	\$100,000
Less estimated income	138,543,705	132,151,522	1,934,098	134,085,620	134,085,620	0
General fund	\$197,927,008	\$218,892,749	(\$3,830,081)	\$215,062,668	\$214,962,668	\$100,000
FTE	1,655.28	1,599.03	0.00	1,599.03	1,599.03	0.00
Bill total						
Total all funds	\$3,482,462,132	\$4,149,153,481	(\$42,329,490)	\$4,106,823,991	\$4,106,223,991	\$600,000
Less estimated income	2,169,380,782	2,609,725,166	34,435,338	2,644,160,504	2,611,760,504	32,400,000
General fund	\$1,313,081,350	\$1,539,428,315	(\$76,764,828)	\$1,462,663,487	\$1,494,463,487	(\$31,800,000)
FTE	2,162.23	2,307.23	(77.00)	2,230.23	2,230.23	0.00

Senate Bill No. 2012 - State Department of Health - Conference Committee Action

The Conference Committee did not include one-time funding added by the House for the State Department of Health to contract with a private entity to establish a hyperbaric oxygen therapy pilot program. The Conference Committee

amendments include a \$335,000 general fund appropriation to the Department of Human Services to provide a grant to an entity to establish a hyperbaric oxygen therapy pilot program.

Senate Bill No. 2012 - DHS - Management - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	\$26,280,139	\$20,143,801	\$78,699	\$20,222,500	\$20,222,500	
Operating expenses	116,315,826	148,224,520		148,224,520	148,224,520	
Capital assets		50,000		50,000	50,000	
Grants	204,000					
Total all funds	\$142,799,965	\$168,418,321	\$78,699	\$168,497,020	\$168,497,020	\$0
Less estimated income	85,679,558	103,780,027	26,719	103,806,746	103,806,746	0
General fund	\$57,120,407	\$64,638,294	\$51,980	\$64,690,274	\$64,690,274	\$0
FTE	140.45	107.95	0.00	107.95	107.95	0.00

Department 326 - DHS - Management - Detail of Conference Committee Changes

	Adjusts Funding for Salary Increase ¹	Total Conference Committee Changes
Salaries and wages	\$78,699	\$78,699
Operating expenses		
Capital assets		
Grants		
Total all funds	\$78,699	\$78,699
Less estimated income	26,719	26,719
General fund	\$51,980	\$51,980
FTE	0.00	0.00

¹ Funding is adjusted to provide employee salary increases of 2 percent on July 1, 2019, with a minimum monthly increase of \$120 and a maximum monthly increase of \$200, and 2.5 percent on July 1, 2020, the same as the House version. The Senate provided funding for a 2 percent salary increase on July 1, 2019, and a 3 percent salary increase on July 1, 2020. The same salary adjustments are being provided for all areas of the department.

Senate Bill No. 2012 - DHS - Program/Policy - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes ¹	Conference Committee Version	House Version	Comparison to House
Salaries and wages	\$62,782,944	\$67,904,611	\$1,090,262	\$68,994,873	\$68,994,873	
Operating expenses	125,299,436	148,265,426	2,696,157	150,961,583	150,461,583	\$500,000
Capital assets	10,000	10,000		10,000	10,000	
Grants	441,420,827	448,876,175	4,478,332	453,354,507	453,019,507	335,000
Grants - Medical assistance	2,373,678,247	2,782,334,677	(40,176,957)	2,742,157,720	2,742,157,720	
Total all funds	\$3,003,191,454	\$3,447,390,889	(\$31,912,206)	\$3,415,478,683	\$3,414,643,683	\$835,000
Less estimated income	1,945,157,519	2,191,493,617	41,074,521	2,232,568,138	2,200,168,138	32,400,000
General fund	\$1,058,033,935	\$1,255,897,272	(\$72,986,727)	\$1,182,910,545	\$1,214,475,545	(\$31,565,000)
FTE	366.50	377.25	6.00	383.25	383.25	0.00

¹ Funding for program and policy is adjusted as follows:

	FTE Positions	General Fund	Other Funds	Total
2019-21 Ongoing Funding Changes				
Adjusts salary increase funding as detailed in Management section		\$98,534	\$156,235	\$254,769
Adjusts provider inflationary increases to 2 percent the 1st year of the biennium and to 2.5 percent the 2nd year of the biennium, the same as the House version. The Senate provided funding for inflationary increases of 2 percent the 1st year of the biennium and 3 percent the 2nd year of the biennium.		(2,293,611)	(2,587,825)	(4,881,436)
Adjusts the federal medical assistance percentage estimate to 50.05 for federal fiscal year 2020 and to 52.66 for federal fiscal year 2021. The House version also made this adjustment.		(24,656,101)	24,149,902	(506,199)
Economic Assistance				
Reduces funding added by the Senate for temporary assistance for needy families tribal kinship care from \$2,935,800 to \$2 million, the same as the House version.		(935,800)		(935,800)
Increases funding for the alternatives to abortion program to provide total funding of \$600,000, the same as the House version.			100,000	100,000
Medical Services				
Adjusts the department's savings plan for revised estimates, the same as the House version.		(174,829)	(387,518)	(562,347)
Provides for the department to administer Medicaid Expansion pharmacy services rather than utilizing a private carrier. The House version also made this change.	2.00	(551,686)	(4,940,257)	(5,491,943)
Adjusts funding added by Senate for a Medicaid 1915i plan amendment based on revised cost estimates, the same as the House version.		(1,400,202)	99,799	(1,300,403)
Adjusts funding added by the Senate for the children with disabilities buy in program due to FMAP change, the same as the House version.		(28,061)	28,061	0
Adjusts estimated estate collections due to a lawsuit, the same as the House version.		1,500,000	(1,500,000)	0
Adjusts funding for Medicaid funeral cost exemption changes approved in House Bill No. 1318, the same as the		326,053	341,131	667,184

House version.

Adjusts funding to expand Medicaid coverage for pregnant women as approved in House Bill No. 1515, the same as the House version.	797,532	834,414	1,631,946
Adjusts estimated medical services utilization rates, the same as the House version.	(3,909,600)	(4,090,400)	(8,000,000)
Adjusts Medicare drug clawback funding based on revised estimates, the same as the House version.	1,222,206		1,222,206
Adjusts the funding sources for medical services to utilize funding from the community health trust fund rather than the general fund. The Senate and House versions did not include funding from the community health trust fund.	(32,400,000)	32,400,000	0

Long-Term Care

Adjusts funding for licensure of pediatric subacute care facilities as provided in Senate Bill No. 2317, the same as the House version.	648,485	716,287	1,364,772
Transfers funding added by the Senate for autism extended services to human service centers. The House also made this transfer.	(170,000)		(170,000)
Adjusts estimated long-term care utilization rates, the same as the House version.	(9,774,000)	(10,226,000)	(20,000,000)
Adds funding, including \$1 million from the health care trust fund, to increase the nursing home operating margin amount up to 4.4 percent for the period beginning January 1, 2020, and ending June 30, 2021. The House version also provided this adjustment.		2,062,000	2,062,000
Adjusts funding to allow nursing facility software costs to be classified as a passthrough expense as approved in House Bill No. 1124. The House version also made this adjustment.	829,129	867,472	1,696,601

Aging Services

Adds funding to contract with subject matter experts for Aging Services programs, the same as the House version.	500,000		500,000
Adds funding for contracting and operating expenses of the Aging and Disability Resource Link service, the same as the House version.	331,936	292,794	624,730
Adds intake FTE positions for the Aging	5.00	437,250	387,750
			825,000

and Disability Resource link service, the same as the House version.		
Increases funding for dementia care services grants to provide total funding of \$1.2 million, the same as the House version.	150,000	150,000

Behavioral Health Division

Reduces funding added by the Senate to expand the free through recovery program from \$4.5 million to \$4 million. The House reduced the funding by \$1 million, to \$3.5 million.	(500,000)	(500,000)
Reduces funding added by the Senate for the Parents LEAD program to provide total funding of \$200,000, the same as the House version.	(160,000)	(160,000)
Increases federal funds authority for the children's system of care grant to provide a total of \$6 million, the same as the House version.		3,000,000 3,000,000
Adjusts funding added by the Senate to expand the eligibility of the substance voucher use disorder program to individuals 18 to 14 years of age or older to reflect revised estimated costs, the same as the House version.	(138,062)	(138,062)
Reduces funding added by the Senate for early intervention services from \$600,000 to \$300,000, the same as the House version.	(300,000)	(300,000)
Removes funding and 1 FTE position added by the Senate for a mental health voucher program, the same as the House version.	(1.00) (1,050,000)	(1,050,000)
Adds federal funds authority for a state opioid response grant, the same as the House version.		2,098,462 2,098,462
Adds funding for a new behavioral health grant program for schools, the same as the House version.	1,500,000	1,500,000

Vocational Rehabilitation

Adds federal funding for services provided by the Attorney General for the cooperative disability investigation unit. The House also added this funding.		851,314 851,314
Restores funding removed during the August 2016 budget reductions for adaptive skiing programs, the same as the House version.	200,000	200,000

Developmental Disabilities

Adjusts estimated developmental disability utilization rates, the same as the House version.		(3,420,900)	(3,579,100)	(7,000,000)
Total ongoing funding changes	6.00	(\$73,321,727)	\$41,074,521	(\$32,247,206)

One-Time Funding Items

Adds funding for a hyperbaric oxygen therapy pilot program grant		\$335,000		\$335,000
Total one-time funding changes	0.00	\$335,000	\$0	\$335,000

Total changes to base level funding	6.00	(\$72,986,727)	\$41,074,521	(\$31,912,206)
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Senate Bill No. 2012 - DHS - County Social Services Financing - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
County social services		\$182,300,000	(\$8,600,000)	\$173,700,000	\$173,700,000	
Total all funds	\$0	\$182,300,000	(\$8,600,000)	\$173,700,000	\$173,700,000	\$0
Less estimated income	0	182,300,000	(8,600,000)	173,700,000	173,700,000	0
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	223.00	(83.00)	140.00	140.00	0.00

Department 333 - DHS - County Social Services Financing - Detail of Conference Committee Changes

	Adjusts Funding for Human Service Redesign Project ¹	Total Conference Committee Changes
County social services	(\$8,600,000)	(\$8,600,000)
Total all funds	(\$8,600,000)	(\$8,600,000)
Less estimated income	(8,600,000)	(8,600,000)
General fund	\$0	\$0
FTE	(83.00)	(83.00)

¹ Funding and FTE positions for the human services redesign project are adjusted consistent with changes approved in Senate Bill No. 2124 and for changes to employee salary increase guidelines. The House also approved this funding change.

Senate Bill No. 2012 - DHS - Field Services - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes ¹	Conference Committee Version	House Version	Comparison to House
Human service centers	\$196,049,489	\$203,344,121	\$1,357,022	\$204,701,143	\$204,601,143	\$100,000
Institutions	140,421,224	147,700,150	(3,253,005)	144,447,145	144,447,145	
Total all funds	\$336,470,713	\$351,044,271	(\$1,895,983)	\$349,148,288	\$349,048,288	\$100,000
Less estimated income	138,543,705	132,151,522	1,934,098	134,085,620	134,085,620	0
General fund	\$197,927,008	\$218,892,749	(\$3,830,081)	\$215,062,668	\$214,962,668	\$100,000
FTE	1,655.28	1,599.03	0.00	1,599.03	1,599.03	0.00

¹ Funding for field services is adjusted as follows:

2019-21 Ongoing Funding Changes	FTE Positions	General Fund	Other Funds	Total
Adjusts salary increases as detailed in the Management section		\$800,291	\$492,546	\$1,292,837
Adjusts provider inflation increases to 2 percent the 1st year of the biennium and 2.5 percent the 2nd year of the biennium, the same as the House version. The Senate provided funding for inflation increases of 2 percent the 1st year of the biennium and 3 percent the 2nd year of the biennium.		343,589	4,271	347,860
Adjusts the federal medical assistance percentage estimate to 50.05 for federal fiscal year 2020 and to 52.66 for federal fiscal year 2021. The House also made this adjustment.		(1,026,739)	1,026,739	0
Human Service Centers				
Reduces funding added by the Senate for a supportive housing grant from \$550,000 to \$375,000. The House version reduced the grant funding to \$275,000.		(175,000)		(175,000)
Increases funding for lease costs of the Badlands Human Service Center, the same increase provided by the House.		264,000		264,000
Transfers funding added by the Senate for autism extended services from long-term care. The House also provided for this transfer.		170,000		170,000
Institutions				
Removes one-time capital funding from the 2017-19 biennium. The House also removed this funding.		(2,199,430)		(2,199,430)
Adjusts the funding source related to beds restored at the State Hospital by the Senate. The House also made this adjustment.		(830,050)	830,050	0
Adjusts anticipated utilization rates at the State Hospital, the same as the House version.		(1,400,000)	(196,250)	(1,596,250)
Adjusts funding for estimated estate collections due to lawsuit. The House also made this adjustment.		223,258	(223,258)	0
Total ongoing funding changes	0.00	(\$3,830,081)	\$1,934,098	(\$1,895,983)

Senate Bill No. 2012 - Other Changes - Conference Committee Action

This amendments also:

- Amends North Dakota Century Code Section 50-06.4-10 to provide the Department of Human Services (DHS) contract with a private entity to provide support services for the Brain Injury Advisory Council. This section was also added by the House.
- Amends Section 50-24.1-31 to increase the net income limit for the optional medical assistance program for families with children with disabilities program from 200 to 250 percent of the federal poverty level. This section was also added by the House.

- Amends Section 50-24.1-37 to provide for DHS to administer the pharmacy benefits portion of the Medicaid Expansion program effective January 1, 2020, and provides for the Medicaid Expansion program to sunset on July 31, 2021. This section was also added by the House.
- Amends Section 54-27-25 to allocate moneys in the tobacco settlement trust fund only to the community health trust fund rather than the community health trust fund, the common schools trust fund, and the water development trust fund.
- Provides that expenditures of the Medicaid Expansion program may not exceed appropriated amounts with certain exceptions. This section was also added by the House.
- Identifies \$32.4 million from the community health trust fund for defraying expenses of the Medical Services Division.
- Identifies \$1 million of funding included in the appropriation for nursing facilities is from the health care trust fund to be used to increase the nursing facility operating margin up to 4.4 percent for the period beginning January 1, 2020, and ending June 30, 2021. This section was also added by the House.
- Removes a section added by the Senate to require DHS to establish a mental health voucher program. This section was also removed by the House.
- Requires DHS to develop an implementation plan for revised payment methodology for nursing facility services. This section was also added by the House.
- Adds a section to identify \$335,000 of funding from the general fund for providing a hyperbaric oxygen therapy grant to the Dakota Medical Foundation.
- Adds a section to identify the use of \$200,000 of funding from the general fund for adaptive skiing grants. This section was also added by the House.
- Provides guidelines regarding the use of grant funding provided for supportive housing grants. This section was also added by the House.
- Adds a section to identify the use of \$1.5 million from the general fund for school behavioral health grants. This section was also added by the House.
- Provides an exemption for DHS to continue up to \$728,207 of general fund appropriation authority for legal services into the 2019-21 biennium. This section was also added by the House.
- Provides an exemption for DHS to continue a \$150,000 general fund appropriation for a children's behavioral health pilot project into the 2019-21 biennium. This section was also added by the House.
- Requires DHS to implement a 1915i Medicaid state plan amendment for children and adults during the 2019-21 biennium. This section was also added by the House.
- Requires DHS to adopt rules to establish a process to provide information to individuals regarding home- and community-based services. This section was also added by the House.
- Requires DHS to review the need to expand the number of slots or increase the age of eligibility for the autism spectrum disorder Medicaid waiver. This section was also added by the House.
- Requires DHS to propose administrative code changes to allow more individuals to receive services under the autism spectrum disorder voucher program. This section was also added by the House.
- Adds a section of legislative intent that the department seek a deficiency appropriation if program expenditures exceed legislative appropriations due to adjustments made to estimated utilization rates.