Prepared by the Legislative Council staff for
House Appropriations - Majority Report
February 20, 1997

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1012

Page 1, line 2, after the second semicolon insert "to create and enact a new subsection to section 50-06-05.4 and section 50-06-14.4 of the North Dakota Century Code, relating to the human service council duties and to projects involving services for the alzheimer's and related dementia population; to provide an exemption from sections 54-14-03.1 and 54-44.1-11 and to authorize the sale of certain buildings on the grounds of the state hospital to the department of corrections and rehabilitation;"

Page 1, line 3, remove the first "and", replace "section" with "sections 50-06-05.5,", after "50-06-14.3" insert ", and 50-24.1-02.2", after "Code" insert "and to amend and reenact the new section to chapter 23-09.3 as created by section 2 of chapter 254 of the 1995 Session Laws and the new section to chapter 23-16 to the North Dakota Century Code as created by section 3 of chapter 254 of the 1995 Session Laws", and after the second "the" insert "human service center directors,"

Page 1, line 4, after "program" insert ", a moratorium on long-term care bed capacity, and community resource allowance; to repeal section 25-04-20 of the North Dakota Century Code, relating to the westwood park assets management committee; to provide an effective date; and to declare an emergency"

Page 1, line 14, replace "8,851,202" with "8,670,509"

Page 1, line 15, replace "16,308,781" with "6,831,453"

Page 1, line 16, replace "190,925" with "25,564"

Page 1, line 19, replace "line items" with "all funds" and replace "27,907,341" with "18,083,959"

Page 1, line 20, replace "15,762,387" with "12,162,731"

Page 1, line 21, replace "12,144,954" with "5,921,228"

Page 2, line 1, replace "8,922,158" with "8,841,828"

Page 2, line 2, replace "34,771,730" with "18,141,716"

Page 2, line 3, replace "151,203" with "1,000"

Page 2, after line 4, insert:

"Welfare reform contingency	500,000
Grants - developmental disabilities direct staff supplement	4,300,000"

Page 2, line 5, replace "201,094,966" with "187,940,292"

Page 2, line 6, replace "615,640,315" with "606,723,360"

Page 2, line 7, replace "line items" with "all funds" and replace "860,582,915" with "826,450,739"

Page 2, line 8, replace "664,699,964" with "636,150,543"

Page 2, line 9, replace "195,882,951" with "190,300,196"

Page 2, line 12, replace "9,501,779" with "9,350,702"

Page 2, line 13, replace "13,498,064" with "10,987,311"

Page 2, line 14, replace "1,034,393" with "129,065"

Page 2, line 16, replace "99,078,622" with "100,266,694"

Page 2, line 17, replace "line items" with "all funds" and replace "123,114,477" with "120,735,391"

Page 2, line 18, replace "86,586,644" with "85,402,836"

Page 2, line 19, replace "36,527,833" with "35,332,555"

Page 2, replace lines 21 through 31 with:

"NORTHWEST HUMAN SERVICE CENTER

Total all funds	$ 7,486,057
Less estimated income	3,741,452
Total general fund appropriation	$ 3,744,605

NORTH CENTRAL HUMAN SERVICE CENTER

Total all funds	$12,252,822
Less estimated income	6,494,751
Total general fund appropriation	$ 5,758,071

LAKE REGION HUMAN SERVICE CENTER

Total all funds	$ 7,012,831
Less estimated income	3,193,069
Total general fund appropriation	$ 3,819,762

NORTHEAST HUMAN SERVICE CENTER

Total all funds	$15,378,846
Less estimated income	8,365,365
Total general fund appropriation	$ 7,013,481

SOUTHEAST HUMAN SERVICE CENTER

Total all funds	$16,404,559
Less estimated income	9,781,486
Total general fund appropriation	$ 6,623,073

SOUTH CENTRAL HUMAN SERVICE CENTER

Total all funds	$ 9,022,191
Less estimated income	4,338,947
Total general fund appropriation	$ 4,683,244

WEST CENTRAL HUMAN SERVICE CENTER

Total all funds	$14,479,280
Less estimated income	7,895,864
Total general fund appropriation	$ 6,583,416

BADLANDS HUMAN SERVICE CENTER

Total all funds	$ 7,959,369
Less estimated income	3,821,558
Total general fund appropriation	$ 4,137,811

STATE HOSPITAL

Operations	$52,338,902
Capital improvements	1,901,400
Total all funds	$54,240,302
Less estimated income	18,566,061
Total general fund appropriation	$35,674,241

DEVELOPMENTAL CENTER

Operations	$38,824,692
Capital improvements	262,000
Total all funds	$39,086,692
Less estimated income	30,132,445
Total general fund appropriation	$ 8,954,247

FIELD SERVICES

Supplemental fund for mental health services	$ 1,143,279
Supplemental fund for developmental disabilities services	181,609
Total general fund appropriation	$ 1,324,888"

Page 3, remove lines 1 through 15

Page 3, line 16, replace "193,135,582" with "184,647,837"

Page 3, line 17, replace "95,171,654" with "96,330,998"

Page 3, line 18, replace "97,963,928" with "88,316,839"

Page 3, after line 18, insert:

"Subdivision 5.

COMPUTER TECHNOLOGY APPROPRIATION

Total all funds	$32,263,866
Less estimated income	19,263,866
Total general fund appropriation	$13,000,000"

Page 3, line 19, replace "342,519,666" with "332,870,818"

Page 3, line 20, replace "862,220,649" with "849,310,974"

Page 3, line 21, replace "1,204,740,315" with "1,182,181,792"

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

Page 4, after line 15, insert:

"**SECTION 6. SUPPLEMENTAL FUND FOR MENTAL HEALTH SERVICES.** The funds appropriated in the supplemental fund for the mental health services line item in section 1 of this Act may be allocated by the department of human services, subject to budget section approval, to the human services centers and state hospital to address costs associated with deinstitutionalization, caseload increases, patient stays, or other unanticipated costs associated with serving persons with a mental illness, for the biennium beginning July 1, 1997, and ending June 30, 1999. The department of human services shall inform the budget section of requests for funding that the department does not recommend to the budget section for approval.

SECTION 7. SUPPLEMENTAL FUND FOR DEVELOPMENTAL DISABILITIES SERVICES. The funds appropriated in the supplemental fund for developmental disabilities services line item in section 1 of this Act may be allocated by the department of human services, subject to budget section approval, to the human service centers and developmental center to address costs associated with deinstitutionalization, caseload increases, patient stays, or other unanticipated costs associated with serving persons with a developmental disability, for the biennium beginning July 1, 1997, and ending June 30, 1999. The department of human services shall inform the budget section of requests for funding that the department does not recommend to the budget section for approval.

SECTION 8. LEGISLATIVE INTENT - HUMAN SERVICE CENTER SERVICES. It is the intent of the legislative assembly that while the legislative assembly is allowing the human service centers more funding flexibility during the 1997-99 biennium, the human service centers are expected to:

1. Continue to utilize standards, guidelines, and practices in effect on March 1, 1997, for providing human services pursuant to subsection 2 of section 50-06-05.3.

2. Continue to strive toward improving the quality of services and monitor and strive to achieve successful client outcomes.

3. Maximize available federal or other funds to provide essential services and for service enhancements.

4. Provide appropriate community services to continue the trend of fewer state hospital and developmental center admissions in order to serve clients, to the extent possible, in a least restrictive environment.

5. Utilize innovative and effective methods of service delivery in order to achieve cost savings to reallocate for performance incentives and to enhance the level of services provided to clients.

SECTION 9. LEGISLATIVE INTENT - FULL-TIME EQUIVALENT EMPLOYEES - EMERGENCY COMMISSION APPROVAL. It is the intent of the legislative assembly that the emergency commission approve requests submitted by a human service center, the state hospital, or the developmental center for authorization to hire additional full-time equivalent positions that are associated with an approved request for funding from the supplemental fund for mental health services or the supplemental fund for developmental disabilities services during the biennium beginning July 1, 1997, and ending June 30, 1999.

SECTION 10. HUMAN SERVICE CENTER SERVICE COSTS - REIMBURSEMENT SYSTEM. Each regional human service center shall report its services provided during the biennium beginning July 1, 1997, and ending June 30, 1999, on a cost per service basis in a form designated by the executive director of the department of human services. The department shall analyze the data collected and develop, for the 1999-2001 biennium, a standardized reimbursement system for the human service centers based on service costs and any supplemental payment costs to be incorporated into the department's 1999-2001 biennium budget request.

SECTION 11. EXEMPTION - EMPLOYEE BONUSES. Notwithstanding section 54-14-03.1, the regional human service centers, state hospital, and developmental center may provide bonus payments to their employees during August 1999, of up to three percent of an employee's base salary from any realized savings resulting from program efficiencies accumulated during the 1997-99 biennium, excluding any supplemental funds for mental health or developmental disabilities services received. A bonus payment may not increase an employee's salary level for which funding request calculations for the 1999-2001 biennium will be based.

SECTION 12. EXEMPTION - BUDGET SECTION APPROVAL AND REPORT. The general fund appropriations contained in subdivision 4 of section 1 and the welfare reform contingency line item in subdivision 2 of this Act are not subject to section 54-44.1-11. The welfare reform contingency may only be spent with prior budget section approval. Any unexpended funds from these appropriations are available during the biennium beginning July 1, 1999, and ending June 30, 2001. The department of human services shall report to the budget section of the legislative council on the status of these appropriations at its fall 1999 meeting.

SECTION 13. A new subsection to section 50-06-05.4 of the North Dakota Century Code is created and enacted as follows:

> <u>To set the salary of the center director and approve the employee compensation plan. The department of human services shall develop procedures that provide for a transition to regional center governing boards to be established on July 1, 1998.</u>

SECTION 14. AMENDMENT. Section 50-06-05.5 of the North Dakota Century Code is amended and reenacted as follows:

50-06-05.5. Director of regional center - Medical director. Each regional human service center must be headed by a regional director appointed by the executive director of the department in consultation with the regional human service council. The regional director ~~must be accountable to~~ <u>position is not a classified position and the director must serve at the pleasure of</u> the executive director. Each regional director shall have the authority to employ the staff necessary to discharge the center's responsibilities. The regional director shall also have authority, subject to the approval of the executive director of the department and within the limit of legislative appropriations, to make contractual arrangements with public or private agencies or with individuals and organizations to discharge the regional human service center's service delivery responsibilities. The staff of each regional human service center shall include a qualified medical professional who must be designated as the medical director of the center. The medical director must be primarily responsible for coordinating mental health and medically related services. The medical director's position may be part time or full time as determined appropriate by the regional director, with the concurrence of the executive director. At the discretion of the executive director, the regional director of a center, if qualified therefor, could also be appointed medical director of that center. As used in this section, "qualified medical professional" means an individual possessing a degree of doctor of psychiatry, when such an individual can be employed, and when this is not possible, an individual possessing at least a medical degree."

Page 4, after line 29, insert:

"**SECTION 16.** Section 50-06-14.4 of the North Dakota Century Code is created and enacted as follows:

<u>**50-06-14.4. Alzheimer's and related dementia projects.** The department of human services shall establish projects containing up to ten beds designed to meet the service needs of the alzheimer's and related dementia population. The projects established under this section must explore the financial and service viability of converting existing nursing facility or basic care capacity to a specific service environment that targets the alzheimer's and related dementia population. The state department of health shall cooperate with the department to ensure the success of the projects. The projects may be established notwithstanding subsections 2, 5, 10, and 11 and subdivision c of subsection 9 of section 50-24.5-01, relating to definitions for aid to aged, blind, and disabled persons, and subsection 1 of section 23-09.3-01, relating to the definition of a basic care facility.</u>

SECTION 17. AMENDMENT. Section 50-24.1-02.2 of the 1995 Supplement to the North Dakota Century Code is amended and reenacted as follows:

50-24.1-02.2. Community spouse resource allowance. In determining eligibility for medical assistance applicants and recipients, the department of human services shall establish a community spouse resource allowance equal to the maximum community spouse resource allowance as provided by 42 U.S.C. 1396r-5(f)(2). This section applies to a community spouse of an institutionalized spouse. For purposes of this section, "institutionalized spouse" includes an individual who is described in 42 U.S.C. 1396a(a)(10)(A)(ii)(VI).

SECTION 18. AMENDMENT. The new section to chapter 23-09.3 of the North Dakota Century Code as created by section 2 of chapter 254 of the 1995 Session Laws is amended and reenacted as follows:

Moratorium on expansion of basic care bed capacity. ~~During the period after July 31, 1995, and before August 1, 1997,~~ 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, the state department of health ~~and consolidated laboratories~~ may not issue a license under this chapter for any additional bed capacity ~~unless the expanded bed capacity was approved by the health council under chapter 23-17.2 before August 1, 1995~~ above the state's gross capacity of one thousand four hundred seventy-one beds during the period between August 1, 1997, and July 31, 1999.

SECTION 19. AMENDMENT. The new section to chapter 23-16 of the North Dakota Century Code as created by section 3 of chapter 254 of the 1995 Session Laws is amended and reenacted as follows:

Moratorium on expansion of long-term care bed capacity. Notwithstanding sections 23-16-06 and 23-16-10, ~~during the period after July 31, 1995, and before August 1, 1997~~ 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, the state department of health ~~and consolidated laboratories~~ may not issue a license for any additional bed capacity ~~unless the expanded bed capacity was approved by the health council under chapter 23-17.2 before August 1, 1995~~ above the state's gross capacity of seven thousand one hundred twenty-four beds during the period between August 1, 1997, and July 31, 1999.

SECTION 20. TRANSFER OF LAND AUTHORIZED.

1. The department of human services may sell to the department of corrections and rehabilitation the forensic unit building, the ET building and adjacent gymnasium, and surrounding real property.

2. The authorized sale is exempt from sections 54-01-05.2 and 54-01-05.5.

SECTION 21. EXEMPTION FROM BIDDING REQUIREMENTS. Notwithstanding any other provision of law relating to public contracts or bidding requirements, the department of human services may contract and expend funds for the renovation of the state hospital to accommodate patients as a result of any sale of the property described in section 20 of this Act.

SECTION 22. COMPUTER OPERATING AND DEVELOPMENT COSTS - BUDGET SECTION REPORTING. The department of human services shall allocate to the various divisions the appropriation contained in subdivision 5 of section 1 of this Act for computer operating and development costs subject to budget section approval. The department, as it develops the reforming and enhancing services for the people of North Dakota (RESPOND) computer system, shall periodically report to the budget section of the legislative council during the 1997-99 biennium on the status of the development of the system, system costs and benefits, and the receipt of the matching federal funds. The department may not spend general fund appropriations made by the fifty-fifth legislative assembly for the RESPOND computer system unless approval for the matching federal funds in the amounts estimated during the fifty-fifth legislative assembly has been received from the appropriate federal agency.

Except as may be waived by approval of the budget section of the legislative council, the department of human services shall meet the requirements provided by the administration for children and families of the United States department of health and human services in its communication dated February 12, 1997, related to the state's development of the reforming and enhancing services for the people of North Dakota (RESPOND) and training, education, employment, and management (TEEM) project. The requirements include information regarding client eligibility and expert system rules, cost benefit analysis for the TEEM and RESPOND projects, and a revised budget for the TEEM and RESPOND projects.

SECTION 23. LEGISLATIVE INTENT - COMPUTER DEVELOPMENT. It is the intent of the legislative assembly that the department of human services not enter into contracts for computer development that require the expenditure of funds in future bienniums without the prior approval of the legislative assembly. It is also the intent of the legislative assembly that the department of human services not make interest payments on computer development contracts in the amount of $632,450 during the 1997-99 biennium that were not authorized by the legislative assembly.

SECTION 24. LEGISLATIVE INTENT - CASE MANAGEMENT - PILOT PROJECTS. It is the intent of the legislative assembly that the department of human services establish pilot projects for expanded long-term care case management to assist functionally impaired adults in accessing necessary services to maintain the appropriate level of independence in the least restrictive setting at the lowest possible cost and that these pilot projects be financed within available department resources.

SECTION 25. LEGISLATIVE INTENT - TRANSITIONAL SERVICES - DEVELOPMENTALLY DISABLED STUDENTS. It is the intent of the legislative assembly that the disability services division of the department of human services, the office of special education of the department of public instruction, and local special education units explore opportunities for collaboration and shared funding in the provision of transition services to developmentally disabled students between the ages of eighteen and twenty-one.

SECTION 26. LEGISLATIVE INTENT - WAGE INCREASES FOR LOW-INCOME DIRECT CONTACT STAFF OF COMMUNITY DEVELOPMENTAL DISABILITIES PROVIDER AGENCIES. In addition to any wage increases for direct contact staff financed out of the annual inflationary adjustments contained in subdivision 2 of section 1 of this Act, it is the intent of the legislative assembly that community developmental disabilities provider agencies attempt to mitigate staff turnover during the 1997-99 biennium by augmenting the wages of low-income direct contact staff with $4,300,000 appropriated within subdivision 2 of section 1 of this Act and allocated by the department of human services for such purpose. Each provider agency shall inform the department of human services of the hourly wages it pays to each direct contact staff before and after applying the augmenting funds. The department shall compile and report that information to the budget section. "Low-income direct contact staff" means, for purposes of the department's ratesetting process, positions with departmentally approved hourly wage funding, in effect on July 1, 1996, for residential services, in each residence, of $8.71 for the first full-time equivalent, $7.66 for the second full-time equivalent, and $6.26 for any remaining full-time equivalents except standby staff; and for day service staff, individualized supported living arrangement staff, and family support services staff, $6.73 for each full-time equivalent.

SECTION 27. LEGISLATIVE INTENT - WAGE INCREASES FOR CERTIFIED NURSE AIDE STAFF - NURSING HOME. It is the intent of the legislative assembly that annual inflationary adjustments contained in subdivision 2 of section 1 of this Act for nursing home reimbursement be used by nursing homes to emphasize reducing certified nurse aide staff turnover by adjusting staff wages.

SECTION 28. REPEAL. Section 25-04-20 of the North Dakota Century Code is repealed.

SECTION 29. EFFECTIVE DATE. Section 13 of this Act becomes effective on July 1, 1998.

SECTION 30. EMERGENCY. The appropriation contained in subdivision 4 of section 1 of this Act for the state hospital includes $1,295,000 of other funds for remodeling of state hospital buildings to accommodate the relocation of patients from buildings to be sold to the department of corrections and rehabilitation, which is declared to be an emergency measure and those funds are available immediately upon filing of this Act with the secretary of state. Sections 16, 18, 20, and 21 of this Act are declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 325 - DEPARTMENT OF HUMAN SERVICES

HOUSE - The attached schedule details the House changes to House Bill No. 1012.

SUBDIVISION 1 - MANAGEMENT AND COUNCILS	1997-99 EXECUTIVE BUDGET	REMOVE VACANT FTE FIELD SERVICES	REMOVE CENTRALIZED CHECKWRITING FOR IV-D PAYMENTS	REMOVE FUNDING FOR TECHNOLOGY	DELETE VACANT FTE AUTHORIZATION	TOTAL HOUSE CHANGES	HOUSE RECOMMENDED AMOUNTS
Salaries and wages	$ 8,851,202	$(158,487)	$ (22,206)			$ (180,693)	$ 8,670,509
Operating expenses	16,308,781		(232,514)	$(9,244,814)		(9,477,328)	6,831,453
Equipment	190,925			(165,361)		(165,361)	25,564
Grants	715,477						715,477
Developmental disabilities loan fund	1,840,956						1,840,956
Total all funds	$27,907,341	$(158,487)	$(254,720)	$(9,410,175)		$(9,823,382)	$18,083,959
Less estimated income	15,762,387	(158,487)	(81,106)	(3,360,063)		(3,599,656)	12,162,731
Total general fund appropriation	$12,144,954	$ 0	$(173,614)	$(6,050,112)		$(6,223,726)	$ 5,921,228
FTE	105.80	(1)	(0.50)		(1.0)	(2.50)	103.30

SUBDIVISION 2 - ECONOMIC ASSISTANCE	1997-99 EXECUTIVE BUDGET	ADJUST TEEM OPERATIONS	REMOVE TEEM EVALUATION	REMOVE FUNDING FOR TECHNOLOGY	NEW LINE ITEMS AND GRANT CHANGES[1]	OTHER CHANGES	TOTAL HOUSE CHANGES	HOUSE RECOMMENDED AMOUNTS
Salaries and wages	$ 8,922,158					$ (80,330)[2]	$ (80,330)	$ 8,841,828
Operating expenses	34,771,730	$(50,000)	$(200,000)	$(15,646,584)		(733,430)[3]	(16,630,014)	18,141,716
Equipment	151,203			(150,203)			(150,203)	1,000
Capital improvements	2,543							2,543
Welfare reform contingency					$ 500,000		500,000	500,000
Grants - Developmental disabilities direct staff supplement					4,300,000		4,300,000	4,300,000
Grants - Assistance payments	201,094,966				(13,154,674)		(13,154,674)	187,940,292
Grants - Medical assistance	615,640,315				(8,916,955)		(8,916,955)	606,723,360
Total all funds	$860,582,915	$(50,000)	$(200,000)	$(15,796,787)	$(17,271,629)	$(813,760)	$(34,132,176)	$826,450,739
Less estimated income	664,699,964		(36,800)	(13,015,943)	(14,707,947)	(788,731)	(28,549,421)	636,150,543
Total general fund appropriation	$195,882,951	$(50,000)	$(163,200)	$ (2,780,844)	$ (2,563,682)	$ (25,029)	$ (5,582,755)	$190,300,196
FTE	114.80					(1)	(1)	113.80

[1] Grant changes

	GENERAL FUND	OTHER FUNDS	TOTAL
Welfare reform contingency line item	$ 500,000		$ 500,000
Grants - Developmental disabilities direct staff supplement	$ 1,463,374	$ 2,836,626	$ 4,300,000
Grants - Assistance payments			
Reprojections (2/14/97)/adjust to 2.2% inflation for AFDC, basic care, child care and JOBS, and Indian county allocations increase	$ 871,315	$ (937,770)	$ (66,455)
Remove funding for AFDC-UP	(558,150)	(106,871)	(665,021)
Food stamp reprojection		(11,032,498)	(11,032,498)
Use remaining TANF funds available	(500,000)	500,000	
Remove increased funding for Indian county allocations, with the expectation if the reservations do not administer a TANF program a deficiency request may be made	(619,000)		(619,000)
Remove one-half of the AFDC caseload increase	(764,347)	(7,353)	(771,700)
Total	$(1,570,182)	$(11,584,492)	$(13,154,674)
Grants - Medical assistance			
Reduce developmental disability grants for 97.5% occupancy	$ (454,836)	$ (1,106,550)	$ (1,561,386)
Reprojections (2/14/97)/adjust to 2.2% inflation, nursing homes at 3.3% inflation, for medical assistance and developmental disability community-based care	(2,773,601)	(5,635,764)	(8,409,365)
Provide 3.8% inflation for nursing homes (HB 1040)	271,563	782,233	1,053,796
Total	$(2,956,874)	$ (5,960,081)	$ (8,916,955)
Grand total	$(2,563,682)	$(14,707,947)	$(17,271,629)

[2] Remove one new FTE supervisory position for child support enforcement ($80,330, $27,312 from the general fund).

[3] Other changes - Child support adjustments - Reduce inflator by 1.1 percent ($189,867, $32,277 from the general fund) (OARs 259-266), reduce fraud units ($265,101, $98,463 from the general fund) (OAR 293), and remove new fraud unit ($82,000, $30,455 from the general fund OAR 292). Targeted case management - Change funding of $181,266 from children's trust fund to general fund. Adjust contract costs with Citibank to reflect lower food stamp caseload ($296,462, $17,788 from the general fund).

SUBDIVISION 3 - PROGRAM AND POLICY	1997-99 EXECUTIVE BUDGET	REMOVE DIRECTOR OF PROGRAM AND POLICY POSITION	GRANT CHANGES[1]	REMOVE FUNDING FOR TECHNOLOGY	OTHER CHANGES[2]	TOTAL HOUSE CHANGES	HOUSE RECOMMENDED AMOUNTS
Salaries and wages	$ 9,501,779	$(151,077)				$ (151,077)	$ 9,350,702
Operating expenses	13,498,064	(26,459)		$(2,546,294)	$62,000	(2,510,753)	10,987,311
Equipment	1,034,393			(905,328)		(905,328)	129,065
Capital improvements	1,619						1,619
Grants	99,078,622		$1,188,072			1,188,072	100,266,694
Total all funds	$123,114,477	$(177,536)	$1,188,072	$(3,451,622)	$62,000	$(2,379,086)	$120,735,391
Less estimated income	86,586,644	(61,903)	908,005	(2,063,740)	33,830	(1,183,808)	85,402,836
Total general fund appropriation	$ 36,527,833	$(115,633)	$ 280,067	$(1,387,882)	$28,1704	$(1,195,278)	$ 35,332,555
FTE	117.15	(1.00)				(3.50)[3]	113.65

[1] Grant changes

	GENERAL FUND	OTHER FUNDS	TOTAL
Increase senior mill levy moneys to $1,000,000	$ 100,000		$ 100,000
Caseload reprojections (2/14/97)/adjust to 2.2% inflation for foster care, SPED, and expanded SPED	686,192	1,034,457	1,720,649
Reduce SPED grants to reflect medical allowance deduction changes ($300/$700 to $250/$600 - single/family)	(27,596)	(1,452)	(29,048)
Reduce child abuse standard (OAR 339)	(300,000)		(300,000)
Reduce sheltered care services (OAR 349)	(25,000)		(25,000)
Reduce county reimbursement for high risk daycare (OAR 347)	(28,529)		(28,529)
Reduce Vocational Rehabilitation grants to avoid future maintenance of effort requirements (OAR 323)	(125,000)	(125,000)	(250,000)
Total	$ 280,067	$ 908,005	$1,188,072

[2] Other changes
Provide $62,000 from the general fund for vocational rehabilitation training of visually impaired seniors.

[3] An additional 2.5 vacant FTE are removed.

4 A general fund reduction/other funds increase of $33,830 is made for a disability claims analyst position funding change.

ALL FUNDS CHANGES

SUBDIVISION 4	1997-99 EXECUTIVE RECOMMENDATION	REMOVE COMPUTER SYSTEMS FUNDING	FOUR PERCENT REDUCTION	SUPPLEMENTAL FUNDING	REMOVE FUNDING TRANSFERRED TO DEPARTMENT OF CORRECTIONS	ADD UTILITY SALES AND LAND SALE TO DEPARTMENT OF CORRECTIONS	OTHER CHANGES	TOTAL CHANGES	HOUSE VERSION
Human service centers									
Northwest	$ 7,843,299	$ (197,971)	$ (159,271)					$ (357,242)	$ 7,486,057
North Central	12,933,325	(432,605)	(247,898)					(680,503)	12,252,822
Lake Region	7,368,308	(189,496)	(165,981)					(355,477)	7,012,831
Northeast	15,936,193[1]	(263,634)	(293,713)					(557,347)	15,378,846
Southeast	17,060,957	(372,353)	(284,045)					(656,398)	16,404,559
South Central	9,512,689	(292,909)	(197,589)					(490,498)	9,022,191
West Central	15,124,615	(369,510)	(275,825)					(645,335)	14,479,280
Badlands	7,883,040	(147,135)	(172,536)				$396,000	76,329	7,959,369
Total human service centers	$ 93,662,426	$(2,265,613)	$(1,796,858)				$396,000	$(3,666,471)	$ 89,995,955
State Hospital	$ 59,828,413	$(4,812,504)	$(1,524,373)		$(698,085)	$1,446,851		$(5,588,111)	$ 54,240,302
Developmental Center	39,644,743	(194,832)	(363,219)					(558,051)	39,086,692
Mental health - Supplemental fund				$1,143,279				1,143,279	1,143,279
Developmental disabilities services - Supplemental fund				181,609				181,609	181,609
Total all funds	$193,135,582	$(7,272,949)[2]	$(3,684,450)[3]	$1,324,888[4]	$(698,085)[5]	$1,446,851[6]	$396,000[7]	$(8,487,745)	$184,647,837

GENERAL FUND CHANGES

SUBDIVISION 4	1997-99 EXECUTIVE RECOMMENDATION	REMOVE COMPUTER SYSTEMS FUNDING	FOUR PERCENT REDUCTION	SUPPLEMENTAL FUNDING	REMOVE FUNDING TRANSFERRED TO DEPARTMENT OF CORRECTIONS	ADD UTILITY SALES AND LAND SALE TO DEPARTMENT OF CORRECTIONS	OTHER CHANGES	TOTAL CHANGES	HOUSE VERSION
Human service centers									
Northwest	$ 4,034,982	$ (131,106)	$ (159,271)					$ (290,377)	$ 3,744,605
North Central	6,325,483	(319,514)	(247,898)					(567,412)	5,758,071
Lake Region	4,149,514	(163,771)	(165,981)					(329,752)	3,819,762
Northeast	7,462,339[1]	(155,145)	(293,713)					(448,858)	7,013,481
Southeast	7,101,123	(194,005)	(284,045)					(478,050)	6,623,073
South Central	5,061,637	(180,804)	(197,589)					(378,393)	4,683,244
West Central	7,138,732	(279,491)	(275,825)					(555,316)	6,583,416
Badlands	4,429,355	(119,008)	(172,536)					(291,544)	4,137,811
Total human service centers	$ 45,703,165	$(1,542,844)	$(1,796,858)					$(3,339,702)	$ 42,363,463
State Hospital	$ 42,847,213	$(4,812,124)	$(1,524,373)		$(698,085)	$ (138,390)		$(7,172,972)	$ 35,674,241
Developmental Center	9,413,550	(96,084)	(363,219)					(459,303)	8,954,247
Mental health - Supplemental fund				$1,143,279				1,143,279	1,143,279
Developmental disabilities services - Supplemental fund				181,609				181,609	181,609
Total general fund	$ 97,963,928	$(6,451,052)[2]	$(3,684,450)[3]	$1,324,888[4]	$(698,085)[5]	$ (138,390)[6]	$ 0	$(9,647,089)	$ 88,316,839

[1] The executive recommended general fund amount identified by the Department of Human Services for the Northeast Human Service Center has been reduced by $42,015 from the general fund to reflect the unallocated reduction identified by the Department of Human Services to equal the executive recommendation. Also to match the executive recommendation, the estimated income amount for the Northeast Human Service Center identified by the department has been increased by $42,015.

[2] Funding for information technology, including funding relating to the RESPOND computer project is being removed from the human service centers, the State Hospital, and the Developmental Center and included as part of a computer technology appropriation in subdivision 5 of the bill.

[3] General fund support for the human service centers, the State Hospital, and the Developmental Center is reduced by four percent of an adjusted general fund total that excludes funding for capital improvements and for the RESPOND project.

4 Provides $1,143,279 from the general fund for a supplemental fund for mental health services and $181,609 for a supplemental fund for developmental disabilities services that the department may allocate, subject to Budget Section approval, to the human service centers, the State Hospital, and the Developmental Center to address costs associated with deinstitutionalization, caseload increases, patient stays, or other unanticipated costs associated with serving persons with a mental illness or a developmental disability. The section also requires the department to inform the Budget Section of requests for funding that the department is not asking the Budget Section to approve. The Department of Human Services should provide information on all requests to members of the Budget Section prior to the meeting date.

5 Removes funding relating to the transfer of 8.8 FTE positions ($596,384) and operating costs ($101,701) to the Department of Corrections for operating a medium security prison on the State Hospital grounds.

6 Adds funding of $151,851 for costs associated with the sale of utilities to the Department of Corrections. Estimated income is increased by $290,241, and general fund support is reduced by $138,390. Adds $1,295,000 of estimated income generated from the sale of land to the Department of Corrections for the medium security prison. The funding will be used to remodel facilities to relocate the patients which were housed in the facilities that now will be used to house inmates of the Department of Corrections.

7 Adds other funds to allow the Badlands Human Service Center to continue a contract with St. Joseph's Hospital in Dickinson for outpatient behavioral health care.

The amendment provides a single line item appropriation, except for capital improvements which are appropriated separately, for each of the human service centers, the State Hospital, and the Developmental Center rather than the object code line items recommended in the executive budget for the State Hospital, the Developmental Center, and in total for all human service centers. This amendment removes 15.5 FTE vacant positions at the human service centers and eight FTE at the State Hospital.

The amendment includes sections that:

- Provide legislative intent regarding the expectations of services the human service centers are to provide during the 1997-99 biennium.
- Provide legislative intent that the Emergency Commission authorize additional FTE positions for the human service centers, State Hospital, or Developmental Center relating to approved mental health or developmental disabilities supplemental funding.
- Require the department to develop a reimbursement system for the 1999-2001 biennium based on service costs at the human service centers.
- Allow the human service centers, the State Hospital, and the Developmental Center to provide employee bonuses in June 1999 of up to three percent of an employee's salary from program efficiencies accumulated during the 1997-99 biennium.
- Exempt the human service centers, State Hospital, and Developmental Center general fund appropriations from the provision that cancels appropriations at the end of each biennium.
- Regional human service center director positions are unclassified positions and that they serve at the pleasure of the executive director of the Department of Human Services.
- Provide that the $1,295,000 received by the State Hospital for the sale of land and buildings to the Department of Corrections and appropriated to the State Hospital is an emergency measure.

A new subdivision 5 is added appropriating $32,263,866 for computer technology, of which $13,000,000 is from the general fund. Total reductions of $35,936,533, $16,672,667 from the general fund, were removed from the individual subdivisions 1 through 4.

New sections are added to House Bill No. 1012 regarding:

- Receipt by the State Hospital of $1,295,000 for the sale of land and buildings to the Department of Corrections and Rehabilitation, authorizing the sale of the property and appropriating the proceeds as an emergency measure.

- The Department of Human Services meeting the requirements of correspondence dated February 12, 1997, except as waived by the Budget Section, and providing the department may not spend the related general fund appropriations until the requirements are met.

- The Department of Human Services reporting to the Budget Section regarding the status of the RESPOND computer system including system costs and benefits and the receipt of federal funds.

- Providing for a moratorium on basic care beds above 1,471 and nursing home beds above 7,124 and allowing for 10 Alzheimer's beds as a pilot project.

- Authorizing the Department of Human Services to have pilot projects for long-term care case management within available resources.

- Legislative intent regarding collaboration and shared funding in the provision of services to developmentally disabled students transitioning from school to other programs.

- Legislative intent relating to increasing wages for developmentally disabled direct contact staff.

- Allowing the community spouse resource allowance to apply to persons on home and community-based services (North Dakota Century Code Section 54-24.1-02.2).

- Legislative intent regarding case management pilot projects and regarding wage increases for developmentally disabled direct contact staff, and nursing home certified nurses aides.

- Repealing Section 25-04-20 regarding the Westwood Park Assets Management Committee.

A section is added appropriating $682,500, $648,375 of which is from the general fund to provide an increase in funding for the service payments for the elderly and disabled (SPED) program to allow a total increase of 10 SPED clients per month (an increase of 3.5 clients per month is included in the executive budget). Provides total funding of $9,817,413, of which $9,326,542 is from the general fund.

	GENERAL FUND	OTHER FUNDS	TOTAL
Total Department of Human Services changes this amendment	$(9,000,473)	$(12,875,550)	$(21,876,023)