

Sixty-seventh
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1012

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the department of
2 human services; to provide an appropriation to the state department of health; to create and
3 enact ~~a two~~ new ~~section~~sections to chapter 50-06 and a new section to chapter 50-24.1 of the
4 North Dakota Century Code, relating to substance use disorder treatment voucher system
5 grants, a behavioral health bed management system, and medical assistance coverage of
6 interpreter services; to create and enact a new paragraph to subdivision I of subsection 1 of
7 section 50-11.1-22 of the North Dakota Century Code as created by section 8 of House Bill
8 No. 1416, as approved by the sixty-seventh legislative assembly, relating to the North Dakota
9 early childhood council membership; to amend and reenact sections 50-06-42, 50-11.1-14, and
10 50-24.1-37 of the North Dakota Century Code, relating to the substance use disorder voucher
11 program, the early childhood workforce development fees, and the Medicaid expansion
12 program; to repeal section 50-24.1-18.1 of the North Dakota Century Code, relating to
13 consumer-directed health maintenance services; to provide an exemption; to provide a
14 statement of legislative intent; to provide for a report; to provide for a study; to provide for a
15 transfer; to provide for the conveyance of land; to provide an application; to provide for
16 retroactive application; to provide an effective date; to provide an expiration date; and to declare
17 an emergency.

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

19 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
20 as may be necessary, are appropriated out of any moneys in the general fund in the state
21 treasury, not otherwise appropriated, and from special funds derived from federal funds and
22 other income, to the department of human services for the purpose of defraying the expenses of
23 its various divisions, for the biennium beginning July 1, 2021, and ending June 30, 2023, as
24 follows:

1 Subdivision 1.

2 MANAGEMENT

3		Adjustments or		
4	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>	
5	Salaries and wages	\$20,222,500	(\$890,281)	\$19,332,219
6	Operating expenses	134,438,862	77,342,233	211,781,095
7	Capital assets	50,000	25,000	75,000
8	Total all funds	\$154,711,362	\$76,476,952	\$231,188,314
9	Less estimated income	90,021,088	49,907,855	139,928,943
10	Total general fund	\$64,690,274	\$26,569,097	\$91,259,371

11 Subdivision 2.

12 PROGRAM AND POLICY

13		Adjustments or		
14	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>	
15	Salaries and wages	\$68,994,873	\$50,364,134	\$119,359,007
16	Operating expenses	150,961,583	15,702,927	166,664,510
17	Capital assets	10,000	0	10,000
18	Grants	452,041,904	9,311,450	461,353,354
19	Grants - medical assistance	2,742,157,720	273,030,980	3,015,188,700
20	Total all funds	\$3,414,166,080	\$348,409,491	\$3,762,575,571
21	Less estimated income	2,232,568,138	235,823,355	2,468,391,493
22	Total general fund	\$1,181,597,942	\$112,586,136	\$1,294,184,078

23 Subdivision 3.

24 FIELD SERVICES

25		Adjustments or		
26	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>	
27	Human service centers	\$204,701,143	(\$37,774,523)	\$166,926,620
28	Institutions	137,476,480	(6,858,717)	130,617,763
29	Total all funds	\$342,177,623	(\$44,633,240)	\$297,544,383
30	Less estimated income	127,314,955	(13,370,943)	113,944,012
31	Total general fund	\$214,862,668	(\$31,262,297)	\$183,600,371

1 ~~Subdivision 4.~~

2 COUNTY SOCIAL SERVICE FINANCING

3	Adjustments or			
4	Base Level	Enhancements	Appropriation	
5	County social services	\$173,700,000	\$16,451,515	\$190,151,515
6	Total all funds	\$173,700,000	\$16,451,515	\$190,151,515
7	Less estimated income	173,700,000	15,139,791	188,839,791
8	Total general fund	\$0	\$1,311,724	\$1,311,724

9 ~~Subdivision 5.~~

10 TOTAL SECTION 1

11	Adjustments or			
12	Base Level	Enhancements	Appropriation	
13	Grand total general fund	\$1,461,150,884	\$109,204,660	\$1,570,355,544
14	Grant total special funds	2,623,604,181	287,500,058	2,911,104,239
15	Grant total all funds	\$4,084,755,065	\$396,704,718	\$4,481,459,783
16	Full-time equivalent positions	2,230.23	1.60	2,231.83
17	<u>Salaries and wages</u>	<u>\$20,222,500</u>	<u>(\$882,643)</u>	<u>\$19,339,857</u>
18	<u>Operating expenses</u>	<u>134,438,862</u>	<u>85,747,426</u>	<u>220,186,288</u>
19	<u>Capital assets</u>	<u>50,000</u>	<u>25,000</u>	<u>75,000</u>
20	<u>Total all funds</u>	<u>\$154,711,362</u>	<u>\$84,889,783</u>	<u>\$239,601,145</u>
21	<u>Less estimated income</u>	<u>90,021,088</u>	<u>49,909,553</u>	<u>139,930,641</u>
22	<u>Total general fund</u>	<u>\$64,690,274</u>	<u>\$34,980,230</u>	<u>\$99,670,504</u>

23 Subdivision 2.

24 PROGRAM AND POLICY

25	<u>Adjustments or</u>			
26	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>	
27	<u>Salaries and wages</u>	<u>\$68,994,873</u>	<u>\$57,782,440</u>	<u>\$126,777,313</u>
28	<u>Operating expenses</u>	<u>150,961,583</u>	<u>19,170,338</u>	<u>170,131,921</u>
29	<u>Capital assets</u>	<u>10,000</u>	<u>0</u>	<u>10,000</u>
30	<u>Grants</u>	<u>452,041,904</u>	<u>13,963,488</u>	<u>466,005,392</u>
31	<u>Grants - medical assistance</u>	<u>2,742,157,720</u>	<u>315,028,658</u>	<u>3,057,186,378</u>

1	Total all funds	\$3,414,166,080	\$405,944,924	\$3,820,111,004
2	Less estimated income	2,232,568,138	274,026,185	2,506,594,323
3	Total general fund	\$1,181,597,942	\$131,918,739	\$1,313,516,681
4	<u>Subdivision 3.</u>			
5	<u>FIELD SERVICES</u>			
6			Adjustments or	
7		Base Level	Enhancements	Appropriation
8	Human service centers	\$204,701,143	(\$34,812,628)	\$169,888,515
9	Institutions	137,476,480	(3,942,407)	133,534,073
10	Total all funds	\$342,177,623	(\$38,755,035)	\$303,422,588
11	Less estimated income	127,314,955	(13,041,660)	114,273,295
12	Total general fund	\$214,862,668	(\$25,713,375)	\$189,149,293
13	<u>Subdivision 4.</u>			
14	<u>COUNTY SOCIAL SERVICE FINANCING</u>			
15			Adjustments or	
16		Base Level	Enhancements	Appropriation
17	County social services	\$173,700,000	\$16,217,386	\$189,917,386
18	Total all funds	\$173,700,000	\$16,217,386	\$189,917,386
19	Less estimated income	173,700,000	14,976,995	188,676,995
20	Total general fund	\$0	\$1,240,391	\$1,240,391
21	<u>Subdivision 5.</u>			
22	<u>TOTAL - SECTION 1</u>			
23			Adjustments or	
24		Base Level	Enhancements	Appropriation
25	Grand total general fund	\$1,461,150,884	\$142,425,985	\$1,603,576,869
26	Grant total special funds	2,623,604,181	325,871,073	2,949,475,254
27	Grant total all funds	\$4,084,755,065	\$468,297,058	\$4,553,052,123
28	Full-time equivalent positions	2,230.23	44.10	2,274.33

29 **SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-**
 30 **EIGHTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items

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1 approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the one-time
2 funding items included in the appropriation in section 1 of this Act:

3	<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
4	Technology projects	\$13,785,658	\$67,641,747
5	Capital projects - life skills and transition center	4,277,165	0
6	Capital projects - state hospital	2,493,500	0
7	<u>Capital projects - southeast human service center</u>	<u>0</u>	<u>724,000</u>
8	<u>Life skills and transition center transition costs</u>	<u>0</u>	<u>5,200,000</u>
9	<u>Developmental disabilities provider stabilization grants</u>	<u>0</u>	<u>125,000</u>
10	Medically complex children provider funding	977,603	0
11	Hyperbaric oxygen therapy grant	335,000	0
12	State hospital study	200,000	300,000
13	Medicaid system consultant	0	300,000
14	<u>State hospital study</u>	<u>200,000</u>	<u>3,000,000</u>
15	Nursing facility payment methodology	0	7,200,000
16	Total all funds	\$22,068,926	\$75,441,747
17	Less estimated income	20,556,323	51,607,531
18	Total general fund	\$1,512,603	\$23,834,216
19	<u>Total all funds</u>	<u>\$22,068,926</u>	<u>\$83,890,747</u>
20	<u>Less estimated income</u>	<u>20,556,323</u>	<u>56,657,531</u>
21	<u>Total general fund</u>	<u>\$1,512,603</u>	<u>\$27,233,216</u>

22 The 2021-23 biennium one-time funding amounts are not a part of the entity's base budget
23 for the 2023-25 biennium. The department of human services shall report to the appropriations
24 committees of the sixty-eighth legislative assembly on the use of this one-time funding for the
25 biennium beginning July 1, 2021, and ending June 30, 2023.

26 **SECTION 3. APPROPRIATION - 2019-21 BIENNIUM - DEPARTMENT OF HUMAN**
27 **SERVICES - FIRE PROTECTION AGREEMENTS - EXEMPTION.** There is appropriated out of
28 any moneys in the department of human services operating fund in the state treasury, not
29 otherwise appropriated, the sum of \$333,333, or so much of the sum as may be necessary, to
30 the department of human services for the purpose of providing a grant to a ~~political subdivision~~
31 ~~for the state share of costs relating to the purchase of a fire truck~~city located in a county of

1 fewer than 25,000 individuals and provides prevention and extinguishment of fires at the North
2 Dakota state hospital, for the period beginning with the effective date of this Act and ending
3 June 30, 2021. The funding appropriated in this section is a one-time funding item. The
4 requirements of chapter 54-44.4 do not apply to the selection of a grant recipient, the grant
5 award, or payments made under this section. The department of human services ~~shall~~
6 ~~discontinue any agreement with a political subdivision for fire protection services and~~ may not
7 enter any future agreement with a political subdivision for fire protection services.

8 **SECTION 4. APPROPRIATION - STATE DEPARTMENT OF HEALTH.** There is
9 appropriated out of any moneys in the general fund in the state treasury, not otherwise
10 appropriated, the sum of \$281,715, or so much of the sum as may be necessary, and the sum
11 of \$281,715 from special funds derived from grants, donations, and other income, to the state
12 department of health for the purpose of providing a grant to the task force on the prevention of
13 sexual abuse of children for staff and programming materials focused on primary prevention
14 activities, for the biennium beginning July 1, 2021, and ending June 30, 2023.

15 **SECTION 5. FUNDING TRANSFERS - EXEMPTION - AUTHORIZATION - REPORT.**

16 Notwithstanding section 54-16-04, the director of the office of management and budget shall
17 transfer appropriation authority between line items within subdivisions 1, 2, and 3 of section 1 of
18 this Act for the biennium beginning July 1, 2021, and ending June 30, 2023, as requested by the
19 department of human services. The department of human services shall notify the legislative
20 council of any transfer made pursuant to this section. The department shall report to the budget
21 section after June 30, 2022, any transfer made in excess of \$50,000 and to the appropriations
22 committees of the sixty-eighth legislative assembly regarding any transfers made pursuant to
23 this section.

24 **SECTION 6. FUNDING TRANSFERS - EXEMPTION - AUTHORIZATION - REPORT.**

25 Notwithstanding section 54-16-04, the director of the office of management and budget shall
26 transfer appropriation authority from line items within subdivisions 1, 2, and 3 of section 1 of this
27 Act to subdivision 4 of section 1 of this Act for the biennium beginning July 1, 2021, and ending
28 June 30, 2023, as requested by the department of human services. The department of human
29 services shall notify the legislative council of any transfer made pursuant to this section. The
30 department shall report to the budget section after June 30, 2022, any transfer made in excess

1 of \$50,000 and to the appropriations committees of the sixty-eighth legislative assembly
2 regarding any transfers made pursuant to this section.

3 **SECTION 7. FULL-TIME EQUIVALENT POSITION - AGING SERVICES - LEGISLATIVE**

4 **INTENT.** Section 1 of this Act includes one full-time equivalent position for the administration of
5 services resulting from a federal department of justice lawsuit settlement. This position is
6 authorized only for the biennium beginning July 1, 2021, and ending June 30, 2023, and may
7 not be included in the department's base budget for the biennium beginning July 1, 2023, and
8 ending June 30, 2025. It is the intent of the sixty-seventh legislative assembly that future
9 legislative assemblies retain and exercise unfettered discretion to appropriate funds as they
10 deem appropriate without regard to the federal department of justice lawsuit settlement.

11 **SECTION 8. ESTIMATED INCOME - HUMAN SERVICE FINANCE FUND.** The estimated
12 income line item in subdivision 4 of section 1 of this Act includes the sum of
13 ~~\$187,385,888~~\$187,223,092 from the human service finance fund for state-paid economic
14 assistance and social and human services.

15 **SECTION 9. ESTIMATED INCOME - COMMUNITY HEALTH TRUST FUND.** The estimated
16 income line item in subdivision 2 of section 1 of this Act includes the sum of \$24,000,000 from
17 the community health trust fund for defraying expenses in the medical services division.

18 **SECTION 10. ESTIMATED INCOME - HEALTH CARE TRUST FUND.** The estimated
19 income line item in subdivision 2 of section 1 of this Act includes the sum of \$1,000,000 from
20 the health care trust fund and \$1,150,538 from federal funds for nursing facility operating
21 margin adjustments.

22 **SECTION 11. CAPITAL PAYMENTS.** During the biennium beginning July 1, 2021, and
23 ending June 30, 2023, the department of human services is authorized to expend funds for the
24 payment of special assessments at the state hospital and life skills and transition center.

25 **SECTION 12. CAPITAL PROJECTS - ~~STATE HOSPITAL~~--EMERGENCY COMMISSION**

26 **APPROVAL.** During the biennium beginning July 1, 2021, and ending June 30, 2023, the
27 department of human services is authorized to proceed with the demolition of the chapel,
28 administrative building, and employee building and associated tunnels at the state hospital.
29 Pursuant to section 45 of this Act, the director of the office of management and budget may
30 transfer appropriation authority between line items within subdivisions 1, 2, and 3 of section 1 of
31 this Act. The department may transfer funds for the demolition of the identified buildings and

1 associated tunnels and for emergency capital projects. Notwithstanding section 54-27-12, the
2 department of human services may spend up to \$5,000,000 for emergency projects under this
3 section and may seek emergency commission approval to spend more than \$5,000,000 under
4 this section.

5 **SECTION 13. PERMANENT SUPPORTIVE HOUSING GRANTS.** Subdivision 2 of
6 section 1 of this Act includes the sum of \$4,672,536 from the general fund for permanent
7 supportive housing grants. The department of human services shall develop a funding
8 methodology to distribute the funding to qualified entities that utilize best practices for
9 permanent supportive housing, provide recovery-oriented and person-centered services, submit
10 process and outcome measures to the department, and authorize the department to conduct
11 onsite visits to review program operations.

12 **SECTION 14. EMERGENCY STABILIZATION GRANTS - DEVELOPMENTAL**
13 **DISABILITIES WAIVER.**

- 14 1. Subdivision 2 of subsection 1 of this Act includes the sum of \$125,000 from the
15 general fund for the purpose of providing emergency stabilization grants to
16 developmental disability in-home support providers to support the sustainability of
17 newly licensed providers within the developmental disability provider network. To be
18 eligible to receive an emergency stabilization grant, a licensed developmental
19 disability in-home support provider must be in operation as of October 1, 2020, with an
20 initial license date of October 15, 2015, or later, and comply with grant requirements
21 established by the department of human services. The requirements of chapter
22 54-44.4 do not apply to the selection of a grantee, the grant award, or payments made
23 under this section.
- 24 2. The department of human services shall include in-home support providers in future
25 appendix K applications, to allow eligibility for retainer payments in a manner
26 equivalent to day support services.

27 **SECTION 15. REFUGEE RESETTLEMENT SERVICES.** Subdivision 2 of section 1 of this
28 Act includes the sum of \$6,069,408 of federal funds for the refugee resettlement program. The
29 department of human services shall establish and implement a plan that resettles at least
30 twenty-five percent of new refugees in locations in the state outside of the three most populous
31 counties. If the department, in consultation with applicable federal and private placement

1 agencies, determines the goal of resettling at least twenty-five percent of refugees outside the
2 three most populous counties is not achievable, the department shall discontinue the
3 resettlement process for refugees and the federal funds identified in this section may not be
4 expended for any purpose.

5 **SECTION 16. TRANSITION OF INDIVIDUALS FROM LIFE SKILLS AND TRANSITION**
6 **CENTER.** Subdivision 2 of section 1 of this Act includes the sum of \$5,200,000 from federal or
7 other funds made available to the department for the transition of individuals from the life skills
8 and transition center to community-based providers. To be eligible to receive funding under this
9 section, a provider must accept an individual who has a regular admission to the life skills and
10 transition center and is being discharged, must ensure that all service needs are met including
11 vocational services, and must implement a policy to not decline to provide services in the future
12 to any individual being served under this section.

13 **SECTION 17. EXPENDITURES MAY NOT EXCEED APPROPRIATION - MEDICAL**
14 **ASSISTANCE EXPANSION PROGRAM - APPLICATION.**

- 15 1. Subdivision 2 of section 1 of this Act includes the sum of \$703,317,464, of which
16 \$80,934,488 is from the general fund, for the medical assistance expansion program
17 for the biennium beginning July 1, 2021, and ending June 30, 2023. The expenditures
18 for individuals eligible for the medical assistance expansion program may not exceed
19 this amount. For purposes of this section:
- 20 a. Expenditures do not include those made for individuals identified as medically
21 frail and who receive services through the traditional Medicaid program
22 administered by the department of human services for which there is a separate
23 appropriation of \$10,184,568 included in subdivision 2 of section 1 of this Act.
- 24 b. Expenditures do not include prescription drugs for the medical assistance
25 expansion program population which is administered by the department of
26 human services through its fee-for-service Medicaid program for which there is a
27 separate appropriation of \$29,460,720 included in subdivision 2 of section 1 of
28 this Act.
- 29 c. Expenditures do not include coverage for individuals ages nineteen and twenty
30 for the medical assistance expansion program population which is administered
31 by the department of human services through its fee-for-service Medicaid

1 program for which there is a separate appropriation of \$12,705,466 included in
2 subdivision 2 of section 1 of this Act.

3 2. The department of human services may exceed appropriations for increases in
4 medical assistance expansion program caseload and for the addition of coverage
5 consistent with the traditional Medicaid 1915i state plan.

6 3. The managed care organization under contract with the department to manage the
7 medical assistance expansion program shall reimburse providers within the same
8 provider type and specialty at consistent levels and with consistent methodology and
9 may not provide incentive, quality, or supplemental payments to providers, unless part
10 of a value-based program approved by the department. The managed care
11 organization may consider urban and rural providers as different provider types.
12 Critical access hospitals may not be paid less than one hundred percent of Medicare
13 allowable costs.

14 4. The managed care organization and the department of human services shall ensure
15 payments to Indian or Tribal 638 health care providers, federally qualified health
16 centers, and rural health clinics meet the federally required minimum levels of
17 reimbursement.

18 5. The department of human services shall ensure providers within the same provider
19 type and specialty are reimbursed at consistent levels and with consistent
20 methodology and shall ensure the capitation rates under risk contracts are actuarially
21 sound and are adequate to meet managed care organization contractual requirements
22 regarding availability of services, assurance of adequate capacity and services, and
23 coordination and continuity of care.

24 6. The department of human services and the Medicaid expansion managed care
25 organization shall ensure the appropriate contract amendment is adopted for coverage
26 through December 31, 2021. The contract amendment shall stay within the
27 appropriation and the requirements of chapter 54-44.4 do not apply.

28 ~~SECTION 16. EXPENDITURES MAY NOT EXCEED APPROPRIATION - NURSING HOME~~
29 ~~RATES. Subdivision 2 of section 1 of this Act includes the sum of \$621,362,568, of which~~
30 ~~\$288,313,216 is from the general fund, for nursing home payments for the biennium beginning~~

~~July 1, 2021, and ending June 30, 2023. The expenditures for nursing homes may not exceed this amount.~~

SECTION 18. EXPENDITURES MAY NOT EXCEED APPROPRIATION - MEDICAL ASSISTANCE EXPANSION PROGRAM - APPLICATION.

1. Subdivision 2 of section 1 of this Act includes the sum of \$703,317,464, of which \$80,934,488 is from the general fund, for the medical assistance expansion program for the biennium beginning July 1, 2021, and ending June 30, 2023. 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 \$10,184,568 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 \$29,460,720 included in subdivision 2 of section 1 of this Act.
 - c. Expenditures do not include coverage for individuals ages nineteen and twenty 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 \$12,705,466 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 approved by the department. The managed care

1 organization shall reimburse all North Dakota substance use providers of American
2 society of addiction medicine level 2.5 at consistent levels and with consistent
3 methodology. The managed care organization may consider urban and rural providers
4 as different provider types. Critical access hospitals may not be paid less than one
5 hundred percent of Medicare allowable costs.

6 4. The managed care organization and the department of human services shall ensure
7 payments to Indian or Tribal 638 health care providers, federally qualified health
8 centers, and rural health clinics meet the federally required minimum levels of
9 reimbursement.

10 5. The department of human services shall ensure providers within the same provider
11 type and specialty are reimbursed at consistent levels and with consistent
12 methodology and shall ensure the capitation rates under risk contracts are actuarially
13 sound and are adequate to meet managed care organization contractual requirements
14 regarding availability of services, assurance of adequate capacity and services, and
15 coordination and continuity of care.

16 **SECTION 19.** A new section to chapter 50-06 of the North Dakota Century Code is created
17 and enacted as follows:

18 **Substance use disorder treatment voucher system grants.**

- 19 1. A licensed substance abuse treatment program, excluding regional human service
20 centers and hospital or medical clinic-based programs for medical management of
21 withdrawal, may apply for a competitive substance use disorder treatment voucher
22 system grant. A licensed substance abuse treatment program is eligible for a one-time
23 grant award. To receive a grant, a licensed substance abuse treatment program shall:
24 a. Submit an application in the form and manner prescribed by the department;
25 b. Enter a grant agreement with the department;
26 c. Use grant funds for a licensed substance abuse treatment program with fewer
27 than seventeen beds in an underserved area, as determined by the department,
28 in the state's substance abuse treatment system;
29 d. Use the grant funds to support the provision of substance use disorder treatment
30 in underserved areas of the state's substance abuse treatment system;

- 1 e. Provide and disclose information needed to comply with the department's data
- 2 collection requirements; and
- 3 f. Operate in compliance with grant requirements.
- 4 2. The department, within legislative appropriations, may distribute up to three grants
- 5 under this section to licensed substance abuse treatment programs.
- 6 3. The department may recapture grant funds distributed to a licensed program found by
- 7 the department to be out of compliance with the requirements established by the grant
- 8 program, including ending or reducing the operation of the substance use disorder
- 9 treatment services in the underserved area.
- 10 4. The department may not collect property, equipment, or supplies purchased with grant
- 11 funds from the licensed substance abuse treatment program after successful
- 12 completion of the terms of the grant.
- 13 5. The grant term must be for five years.

14 ~~SECTION 17. AMENDMENT. Section 50-06-42 of the North Dakota Century Code is~~
15 ~~amended and reenacted as follows:~~

16 ~~50-06-42. Substance use disorder treatment voucher system.~~

17 ~~1. The department shall establish and administer, within the limits of legislative~~
18 ~~appropriations, a voucher system to address underserved areas and gaps in the~~
19 ~~state's substance abuse treatment system and to assist in the payment of addiction~~
20 ~~treatment services provided by licensed substance abuse treatment programs,~~
21 ~~excluding regional human service centers, and hospital or medical clinic based~~
22 ~~programs for medical management of withdrawal. Services eligible for the voucher~~
23 ~~program include only those levels of care recognized by the American society of~~
24 ~~addiction medicine, with particular emphasis given to underserved areas and~~
25 ~~programs. The department shall ensure that a licensed substance abuse treatment~~
26 ~~program, hospital, and medical clinic program accepting vouchers collects and reports~~
27 ~~process and outcome measures. The department shall develop requirements and~~
28 ~~provide training and technical assistance to a licensed substance abuse treatment~~
29 ~~program, hospital, and medical clinic program accepting vouchers. A licensed~~
30 ~~substance abuse treatment program, hospital, and medical clinic program accepting~~
31 ~~vouchers shall provide evidence based services.~~

1 ~~2. The department shall allocate funding appropriated for the substance use disorder~~
2 ~~treatment voucher as follows:~~

3 ~~a. No more than thirty percent of the appropriated amount may be allocated for~~
4 ~~residential substance use disorder services administered by licensed substance~~
5 ~~abuse treatment programs with more than sixteen beds.~~

6 ~~b. The remaining appropriation must be allocated for nonresidential~~
7 ~~outpatient and ancillary substance use disorder services administered by~~
8 ~~licensed substance abuse treatment programs.~~

9 **SECTION 20. AMENDMENT.** Section 50-06-42 of the North Dakota Century Code is
10 amended and reenacted as follows:

11 **50-06-42. Substance use disorder treatment voucher system.**

12 1. The department shall establish and administer, within the limits of legislative
13 appropriations, a voucher system to address underserved areas and gaps in the
14 state's substance abuse treatment system and to assist in the payment of addiction
15 treatment services provided by licensed substance abuse treatment programs,
16 excluding regional human service centers, ~~and~~ hospital- or medical clinic-based
17 programs for medical management of withdrawal, and any institution for mental
18 diseases in accordance with subsection 2.

19 2. The department shall deny a licensed substance abuse treatment program's
20 substance use disorder treatment voucher system application and deny
21 reimbursement by the substance use disorder treatment voucher system if the
22 licensed substance abuse treatment program is an institution for mental diseases and
23 reimbursement is requested for residential beds added on or after July 1, 2020.

24 3. Services eligible for the voucher program include only those levels of care recognized
25 by the American society of addiction medicine, with particular emphasis given to
26 underserved areas and programs. The department shall ensure that a licensed
27 substance abuse treatment program, hospital, and medical clinic program accepting
28 vouchers collects and reports process and outcome measures. The department shall
29 develop requirements and provide training and technical assistance to a licensed
30 substance abuse treatment program, hospital, and medical clinic program accepting

1 vouchers. A licensed substance abuse treatment program, hospital, and medical clinic
2 program accepting vouchers shall provide evidence-based services.

3 **SECTION 21. AMENDMENT.** Section 50-06-42 of the North Dakota Century Code is
4 amended and reenacted as follows:

5 **50-06-42. Substance use disorder treatment voucher system.**

- 6 1. The department shall establish and administer, within the limits of legislative
7 appropriations, a voucher system to address underserved areas and gaps in the
8 state's substance abuse treatment system and to assist in the payment of addiction
9 treatment services provided by licensed substance abuse treatment programs,
10 excluding regional human service centers, hospital- or medical clinic-based programs
11 for medical management of withdrawal, and any institution for mental diseases in
12 accordance with subsection 2.
- 13 2. The department shall deny a licensed substance abuse treatment program's
14 substance use disorder treatment voucher system application and deny
15 reimbursement by the substance use disorder treatment voucher system if the
16 licensed substance abuse treatment program is an institution for mental diseases and
17 reimbursement is requested for residential beds added on or after July 1, 2020.
- 18 3. Services eligible for the voucher program include only those levels of care recognized
19 by the American society of addiction medicine, with particular emphasis given to
20 underserved areas and programs. The department shall ensure that a licensed
21 substance abuse treatment program, hospital, and medical clinic program accepting
22 vouchers collects and reports process and outcome measures. The department shall
23 develop requirements and provide training and technical assistance to a licensed
24 substance abuse treatment program, hospital, and medical clinic program accepting
25 vouchers. A licensed substance abuse treatment program, hospital, and medical clinic
26 program accepting vouchers shall provide evidence-based services.

27 4. The department shall allocate funding appropriated for the substance use disorder
28 treatment voucher as follows:

- 29 a. No more than fifty percent of the appropriated amount may be allocated for
30 residential substance use disorder services administered by licensed substance
31 abuse treatment programs with more than sixteen beds.

1 b. The remaining appropriation must be allocated for residential programs with
2 sixteen or fewer beds, nonresidential outpatient, and ancillary substance use
3 disorder services administered by licensed substance abuse treatment programs.

4 **SECTION 22.** A new section to chapter 50-06 of the North Dakota Century Code is created
5 and enacted as follows:

6 **Behavioral health bed management system.**

7 The department shall establish and maintain a behavioral health bed management system
8 to improve utilization of behavioral health bed capacity. Public and private providers of
9 residential or inpatient behavioral health services shall participate in and report daily to the
10 department the information and documentation necessary to maintain the behavioral health bed
11 management system in the form and manner prescribed by the department.

12 **SECTION 23. AMENDMENT.** Section 50-11.1-14 of the North Dakota Century Code is
13 amended and reenacted as follows:

14 **50-11.1-14. Workforce development.**

15 1. The department may establish a statewide system to build systematic early childhood
16 workforce voluntary training which may include distance learning formats, a
17 professional registry, certificates, and specializations.

18 2. The department may charge reasonable fees for all training and development courses
19 to offset costs. All fees collected under this section must be paid to the department or
20 the department's authorized agent and must be used to defray the cost of providing
21 training and development courses to providers and staff members of early childhood
22 services.

23 **SECTION 24.** A new paragraph to subdivision I of subsection 1 of section 50-11.1-22 of the
24 North Dakota Century Code as created by section 8 of House Bill No. 1416, as approved by the
25 sixty-seventh legislative assembly, is created and enacted as follows:

26 A special education director;

27 **SECTION 25. AMENDMENT.** Section 50-24.1-37 of the North Dakota Century Code is
28 amended and reenacted as follows:

1 **50-24.1-37. Medicaid expansion - Legislative management report. (~~Effective through~~**
2 **~~July 31, 2021~~2023--Contingent repeal - [See note](#))**

- 3 1. The department of human services shall expand medical assistance coverage as
4 authorized by the federal Patient Protection and Affordable Care Act [Pub. L. 111-148],
5 as amended by the Health Care and Education Reconciliation Act of 2010
6 [Pub. L. 111-152] to individuals under sixty-five years of age with income below one
7 hundred thirty-eight percent of the federal poverty line published by the federal office
8 of management and budget applicable to the household size.
- 9 2. The department shall inform new enrollees in the medical assistance expansion
10 program that benefits may be reduced or eliminated if federal participation decreases
11 or is eliminated.
- 12 3. Except for pharmacy services, the department shall implement the expansion by
13 bidding through private carriers or utilizing the health insurance exchange.
- 14 4. The contract between the department and the private carrier must provide the
15 department with full access to provider reimbursement rates. The department shall
16 consider provider reimbursement rate information in selecting a private carrier under
17 this section. Before August first of each even-numbered year, the department shall
18 submit a report to the legislative management regarding provider reimbursement rates
19 under the medical assistance expansion program. This report may provide cumulative
20 data and trend data but may not disclose identifiable provider reimbursement rates.
- 21 5. Provider reimbursement rate information received by the department under this
22 section is confidential, except the department may use the reimbursement rate
23 information to prepare the report to the legislative management as required under this
24 section.

25 **SECTION 26. AMENDMENT.** Section 50-24.1-37 of the North Dakota Century Code is
26 amended and reenacted as follows:

27 **50-24.1-37. Medicaid expansion - Legislative management report. (Contingent repeal -**
28 **[See note](#))**

- 29 1. The department of human services shall expand medical assistance coverage as
30 authorized by the federal Patient Protection and Affordable Care Act [Pub. L. 111-148],
31 as amended by the Health Care and Education Reconciliation Act of 2010

1 [Pub. L. 111-152] to individuals under sixty-five years of age with income below one
2 hundred thirty-eight percent of the federal poverty line published by the federal office
3 of management and budget applicable to the household size.

4 2. The department shall inform new enrollees in the medical assistance expansion
5 program that benefits may be reduced or eliminated if federal participation decreases
6 or is eliminated.

7 3. Except for pharmacy services and coverages for individuals ages nineteen and twenty,
8 the department shall implement the expansion by bidding through private carriers or
9 utilizing the health insurance exchange.

10 4. The contract between the department and the private carrier must provide the
11 department with full access to provider reimbursement rates. The department shall
12 consider provider reimbursement rate information in selecting a private carrier under
13 this section. Before August first of each even-numbered year, the department shall
14 submit a report to the legislative management regarding provider reimbursement rates
15 under the medical assistance expansion program. ~~This report may provide cumulative~~
16 ~~data and trend data but may not disclose identifiable provider reimbursement rates.~~

17 5. Provider reimbursement rate information received by the department under this
18 section is confidential, except the department may use the reimbursement rate
19 information to prepare the report to the legislative management as required under this
20 section an open record.

21 **SECTION 27.** A new section to chapter 50-24.1 of the North Dakota Century Code is
22 created and enacted as follows:

23 **Interpreter services.**

24 Medical assistance coverage, including Medicaid expansion, must include payment for sign
25 and oral language interpreter services for assistance in providing covered health care services
26 to a recipient of medical assistance who has limited English proficiency or who has hearing loss
27 and uses interpreting services. The department shall adopt rules to implement this section.

28 **SECTION 28. REPEAL.** Section 50-24.1-18.1 of the North Dakota Century Code is
29 repealed.

30 **SECTION 29. CONVEYANCE OF LAND AUTHORIZED - LIFE SKILLS AND TRANSITION**
31 **CENTER.** The state of North Dakota, by and through the department of human services, may

1 convey real property associated with the life skills and transition center in Grafton to the Grafton
2 parks and recreation department. The department of human services may convey a portion of
3 two parcels of land commonly referred to as "the bowl" on the terms and conditions determined
4 appropriate by the department and the attorney general. Sections 54-01-05.2 and 54-01-05.5
5 do not apply to this conveyance.

6 **SECTION 30. CONVEYANCE OF LAND AUTHORIZED - LIFE SKILLS AND TRANSITION**
7 **CENTER.** The state of North Dakota, by and through the department of human services, may
8 convey real property associated with the life skills and transition center in Grafton to the Grafton
9 fire department. The department of human services may convey a parcel of land, 7.45 acres,
10 more or less, located in part of lot 1, block 1, state school first addition to the city of Grafton,
11 which is located within the southwest $\frac{1}{4}$ of the southwest $\frac{1}{4}$ of section 13, township 157 north,
12 range 53 west, on the terms and conditions determined appropriate by the department and
13 attorney general. Sections 54-01-05.2 and 54-01-05.5 do not apply to this conveyance.

14 **SECTION 31. LEASE OF LAND - STATE HOSPITAL.** The department of human services
15 and national guard may enter an agreement to lease up to twenty acres of real property
16 associated with the state hospital for the national guard to construct a new training and storage
17 facility.

18 **SECTION 32. PROVIDER PROCESS AND OUTCOME MEASURES.** Providers that
19 receive funding from the department of human services shall submit process and outcome
20 measures, as required by the department, to the department of human services for programs
21 and services supported by state funding during the biennium beginning July 1, 2021, and
22 ending June 30, 2023.

23 ~~**SECTION 29. IN-HOME SUPPORT SERVICES - DEVELOPMENTAL DISABILITIES**~~
24 ~~**WAIVER.** The department of human services shall add in-home support services to the~~
25 ~~appendix K application submitted by the department to the centers for Medicare and Medicaid~~
26 ~~services for the developmental disability services waiver for the COVID-19 emergency. Funding~~
27 ~~for in-home support services under the appendix K application may not exceed \$250,000 during~~
28 ~~the COVID-19 emergency.~~

29 **SECTION 33. QUALIFIED RESIDENTIAL TREATMENT PROVIDERS.** The department of
30 human services shall adopt rules, on or before October 1, 2021, establishing a new ratesetting

1 process and requirements for foster care maintenance rates for qualified residential treatment
2 providers based on the appropriation approved by the sixty-seventh legislative assembly.

3 **SECTION 34. COMMUNITY BEHAVIORAL HEALTH PROGRAM.** Pursuant to section [45](#)
4 of this Act, the director of the office of management and budget may transfer appropriation
5 authority between line items within subdivisions 1, 2, and 3 of section 1 of this Act for the
6 biennium beginning July 1, 2021, and ending June 30, 2023, as requested by the department of
7 human services. The department may transfer funds for the continuation of the community
8 behavioral health program pursuant to subsection 2 of section 54-23.3-10.

9 **SECTION 35. EXEMPTION.** The amount appropriated for the Medicaid management
10 information system technology stack upgrade in chapter 37 of the 2019 Session Laws is not
11 subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation
12 are available for the completion of the Medicaid management information system technology
13 stack upgrade during the biennium beginning July 1, 2021, and ending June 30, 2023.

14 **SECTION 36. EXEMPTION.** The amount appropriated for the modification of the
15 department of human services' eligibility systems in chapter 578 of the 2011 Special Session
16 Session Laws is not subject to the provisions of section 54-44.1-11. Any unexpended funds from
17 this appropriation approved under section 54-44.1-11 for continuation into the 2013-15
18 biennium, then the 2015-17 biennium, then the 2017-19 biennium, and then the 2019-21
19 biennium are available for the completion of the modification of the eligibility systems project
20 during the biennium beginning July 1, 2021, and ending June 30, 2023.

21 **SECTION 37. EXEMPTION.** The amount appropriated for the development of the child care
22 licensing and data system in chapter 11 of the 2017 Session Laws is not subject to the
23 provisions of section 54-44.1-11. Any unexpended funds from this appropriation approved under
24 section 54-44.1-11 for continuation into the 2019-21 biennium are available for the completion of
25 the child care licensing and data system during the biennium beginning July 1, 2021, and
26 ending June 30, 2023.

27 **SECTION 38. EXEMPTION.** The amount appropriated for the development of the health
28 information network in chapter 11 of the 2017 Session Laws is not subject to the provisions of
29 section 54-44.1-11. Any unexpended funds from this appropriation approved under section
30 54-44.1-11 for continuation into the 2019-21 biennium are available for the completion of the

1 health information network during the biennium beginning July 1, 2021, and ending June 30,
2 2023.

3 **SECTION 39. EXEMPTION.** The sum of \$200,000 from the general fund appropriated for
4 the department's operating expenses for the school behavioral health program in chapter 37 of
5 the 2019 Session Laws is not subject to the provisions of section 54-44.1-11. Any unexpended
6 funds from this appropriation are available for the completion of the school behavioral health
7 pilot projects during the biennium beginning July 1, 2021, and ending June 30, 2023.

8 **SECTION 40. EXEMPTION.** The sum of \$150,000 from the general fund appropriated for
9 the department's operating expenses for behavioral health recovery home grants in chapter 37
10 of the 2019 Session Laws is not subject to the provisions of section 54-44.1-11. Any
11 unexpended funds from this appropriation may be used for behavioral health recovery home
12 grants during the biennium beginning July 1, 2021, and ending June 30, 2023.

13 ~~— **SECTION 35. LEGISLATIVE INTENT -- DEVELOPMENTAL DISABILITY RATES.** The~~
14 ~~appropriation in section 1 of this Act includes adjustments to reimbursement rates for~~
15 ~~developmental disability service providers. It is the intent of the sixty-seventh legislative~~
16 ~~assembly that the department of human services seek a deficiency appropriation from the~~
17 ~~sixty-eighth legislative assembly if funding provided for developmental disability provider~~
18 ~~payments is not sufficient to pay actual expenses.~~

19 **SECTION 41. EXEMPTION.** The sum of \$750,000 from the general fund appropriated to
20 the department of human services for the purpose of providing suicide prevention grants in
21 chapter 37 of the 2019 Session Laws is not subject to the provisions of section 54-44.1-11. Any
22 unexpended funds from this appropriation are available for the suicide prevention grants during
23 the biennium beginning July 1, 2021, and ending June 30, 2023.

24 **SECTION 42. EXEMPTION.** The sum of \$3,000,000 from the general fund appropriated to
25 the department of human services for the purpose of providing a community behavioral health
26 program to provide comprehensive community-based services for individuals who have serious
27 behavioral health conditions in chapter 37 of the 2019 Session Laws is not subject to the
28 provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available for
29 the community behavioral health program during the biennium beginning July 1, 2021, and
30 ending June 30, 2023.

1 **SECTION 43. EXEMPTION.** The sum of \$335,000 from the general fund appropriated to
2 the department of human services for the purpose of providing a grant to an entity to develop a
3 hyperbaric oxygen therapy pilot program in chapter 37 of the 2019 Session Laws is not subject
4 to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are
5 available for the completion of the grant to an entity to develop a hyperbaric oxygen therapy
6 pilot program during the biennium beginning July 1, 2021, and ending June 30, 2023.

7 **SECTION 44. EXEMPTION.** The sum of \$572,000 from the strategic investment and
8 improvements fund appropriated to the department of human services for the purpose of a roof
9 replacement project at the state hospital in chapter 37 of the 2019 Session Laws is not subject
10 to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are
11 available for the completion of the roof replacement project at the state hospital during the
12 biennium beginning July 1, 2021, and ending June 30, 2023.

13 **SECTION 45. EXEMPTION.** The amount appropriated for the development of the electronic
14 visit verification project in chapter 11 of the 2017 Session Laws is not subject to the provisions
15 of section 54-44.1-11. Any unexpended funds from this appropriation approved under section
16 54-44.1-11 for continuation into the 2019-21 biennium are available for the completion of the
17 electronic visit verification project during the biennium beginning July 1, 2021, and ending
18 June 30, 2023.

19 **SECTION 46. LEGISLATIVE INTENT - UTILIZATION RATE ADJUSTMENT.** It is the intent
20 of the sixty-seventh legislative assembly that the department of human services seek a
21 deficiency appropriation from the sixty-eighth legislative assembly for any expenditures that
22 exceed appropriated amounts as a result of utilization rates or nursing home costs associated
23 with the establishment of the new rate structure as provided in House Bill No. 1090 during the
24 biennium beginning July 1, 2021, and ending June 30, 2023, if funding is not sufficient to pay
25 actual expenses.

26 **SECTION 47. REPORT TO LEGISLATIVE MANAGEMENT - EARLY AND PERIODIC**
27 **SCREENING, DIAGNOSTIC, AND TREATMENT PROGRAM.** During the 2021-22 interim, the
28 department of human services shall conduct a study of the early and periodic screening,
29 diagnostic, and treatment program and prepare a report. The department of human services
30 may contract with a consultant to assist in the study and the preparation of the report. The
31 report shall include data on the number, ages, and geographic locations of children receiving

1 screening, diagnostic, and treatment services; the capacity of the program to ensure all children
2 who require screening, diagnostic, and treatment services are identified and receive services;
3 data on the disposition of referrals of children who are screened and eligible for diagnostic and
4 treatment services, including how many receive services and how many do not receive those
5 services by county; an assessment of the program's efforts to provide comprehensive screening
6 and treatment for children as required by federal law; an assessment of the deficits of the
7 program's efforts to provide comprehensive screening and treatment as required by federal law;
8 recommendations to ensure or expand services so that all eligible children are adequately
9 served by the program; and additional data needed to assess the program accountability and
10 efficiency. Before October 1, 2022, the department of human services shall provide the report to
11 the legislative management.

12 **SECTION 48. STATE HOSPITAL TREATMENT CAMPUS - REPORT TO LEGISLATIVE**
13 **MANAGEMENT.** During the 2021-22 interim, the department of human services, with the
14 assistance of the state hospital's governing body, stakeholders, members of the legislative
15 assembly, and consultants, shall ~~conduct a study and~~ prepare a report. ~~The report must provide~~
16 ~~a cost benefit analysis and available options and address the feasibility and desirability of~~
17 ~~closing the state hospital, renovating the state hospital, or building, including an architectural~~
18 ~~review and cost estimate to construct~~ a new treatment campus to meet the health care needs of
19 the state. Before October 1, 2022, the department of human services shall provide ~~a~~the report
20 to the legislative management ~~regarding the results of the study~~. Subdivision 3 of section 1 of
21 this Act includes the sum of ~~\$300,000~~\$3,000,000 for the purpose of contracting with a
22 consultant to assist in ~~the report and recommendation~~preparing the report and to develop
23 detailed design plans for the construction of a new treatment campus.

24 ~~SECTION 35. BEHAVIORAL HEALTH SERVICES - REPORT TO LEGISLATIVE~~
25 ~~MANAGEMENT.~~ During the 2021-22 interim, the department of human services shall study the
26 feasibility and desirability of implementing behavioral health services for the medical assistance
27 expansion program through an administrative services organization. ~~Subdivision 2 of section 1-~~
28 ~~of this Act includes the sum of \$300,000 for the purpose of contracting with a consultant to~~
29 ~~assist in the study and to develop a plan to implement behavioral health services for the~~
30 ~~medical assistance expansion program through an administrative services organization. The~~

~~department of human services shall provide reports to the legislative management regarding
the status and results of the study.~~

SECTION 49. REPORT TO LEGISLATIVE MANAGEMENT - REVISED PAYMENT

METHODOLOGY FOR BASIC CARE FACILITIES. The department of human services shall develop a report for payment methodology revisions for basic care facilities that must include recommendations for:

1. Methods of reimbursement for basic care facility cost categories, including direct care, indirect care, room and board, and property; and
2. The feasibility of standardizing payments for basic care facilities in the same peer group.

Before October 1, 2022, the department shall present the report to the legislative management regarding the revised payment methodology. The estimated costs related to the implementation of the payment methodology revisions must be included in the department's 2023-25 biennium budget request submitted to the sixty-eighth legislative assembly.

SECTION 50. LEGISLATIVE MANAGEMENT REPORT - FOUR-YEAR OLD PROGRAM - EARLY CHILDHOOD GRANTS. During the 2021-22 interim, the department of human services shall provide reports to the legislative management regarding the status of four-year old program approvals, the North Dakota early childhood council, and the early childhood grant for best in class four-year old experiences.

SECTION 51. TRANSFER OF EMPLOYEES. The department of human services may use the identified twenty-seven full-time equivalent child care licensing positions of the human service zone transferred to the department pursuant to chapter 391 of the 2019 Session Laws for child care licensing, quality control, and early childhood administration.

SECTION 52. RETROACTIVE APPLICATION. Section 20 of this Act applies retroactively to July 1, 2020.

SECTION 53. EFFECTIVE DATE. ~~Section 17~~ Sections 18 and 26 of this Act ~~becomes~~ become effective January 1, 2022.

SECTION 54. EXPIRATION DATE. Section ~~4~~ 19 of this Act is effective through July 1, 2027, and after that date is ineffective.

1 **SECTION 55. EMERGENCY.** Section 3 of this Act ~~is~~ and section 22 of Senate Bill No. 2086,
2 as approved by the sixty-seventh legislative assembly, are declared to be an emergency
3 measure.