



Long-Term Care Budget- House Bill 1012

House Appropriations, Chairman Nelson

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DHS 2021-2025 KEY PRIORITIES



Strong Stable Families

- Maintain family connections
- Improve stability and prevent crises
- Promote and support recovery and well-being



Early Childhood Experiences

- Support workforce needs with improved access to childcare
- Help kids realize their potential with top quality early experiences
- Align programs for maximum return on investment



Services Closer to Home

- Create pathways that help people access the right service at the right time
- Engage proactively with providers to expand access to services



Efficiency Through Redesign

- Embrace process redesign to find efficiencies in our work
- Leverage technology to support greater efficiency, quality and customer service



High-Performing Team

- Develop a One DHS Team culture
- Engage team with opportunities for learning and development
- Implement fiscal scorecard to drive efficiency and effectiveness

Reinforce the Foundations of Well-being

Economic Health | Behavioral Health | Physical Health

MEDICAL SERVICES DIVISION

Our Values



We help...

our members receive safe, appropriate, quality care in a timely manner.



We communicate...

by listening, sharing information, and seeking feedback.



We partner...

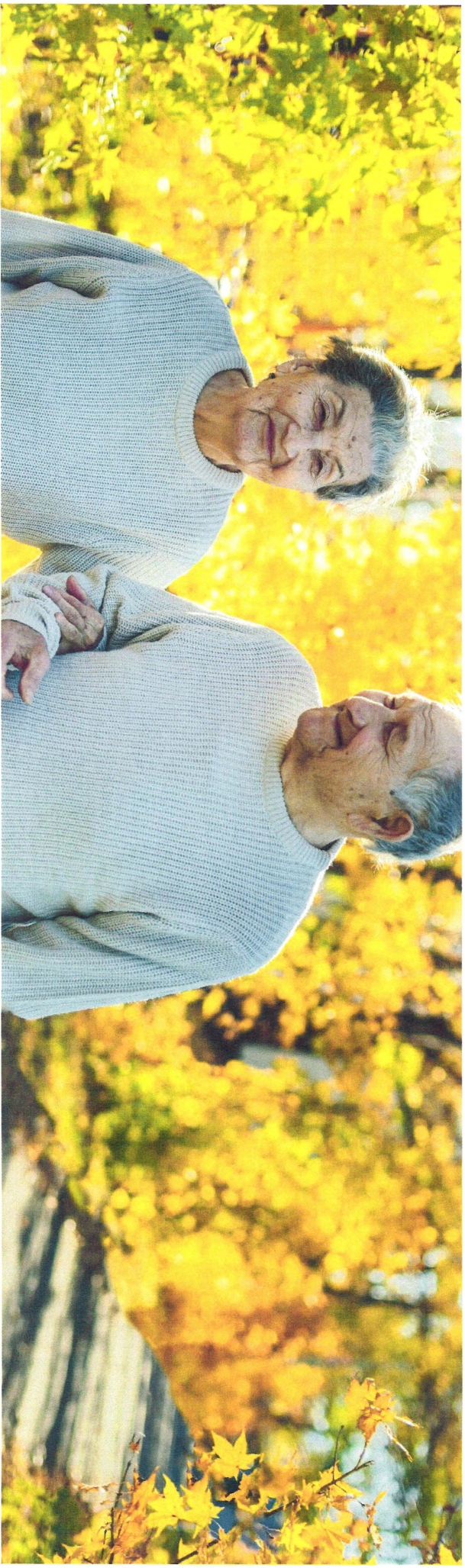
with stakeholders, other state agencies, and tribes to achieve shared goals.



We oversee...

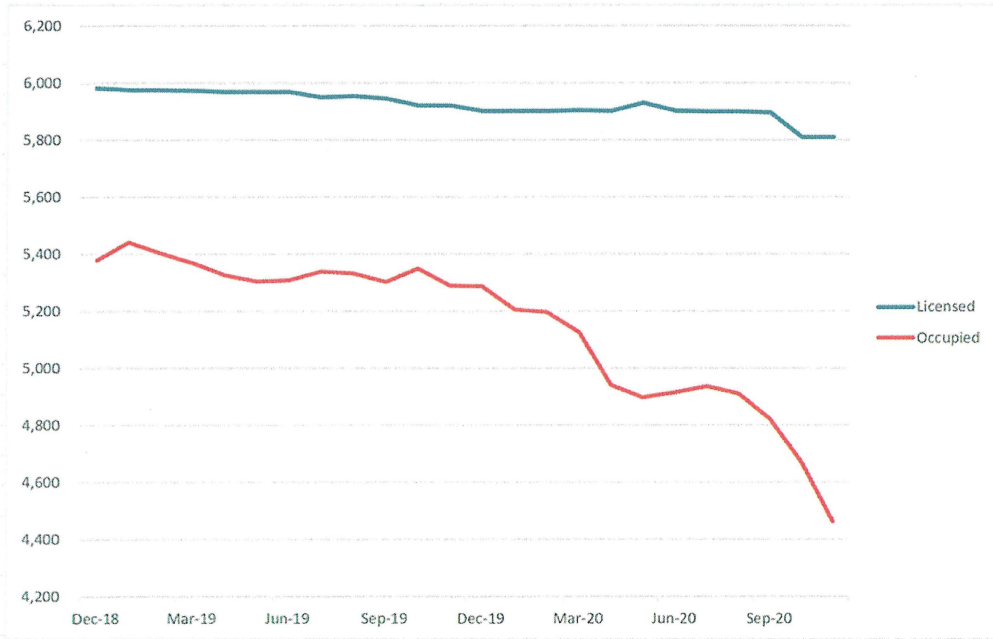
Medicaid to ensure integrity, efficiency, and stewardship of public resources.

Overview of Long-Term Care Services: Institutions

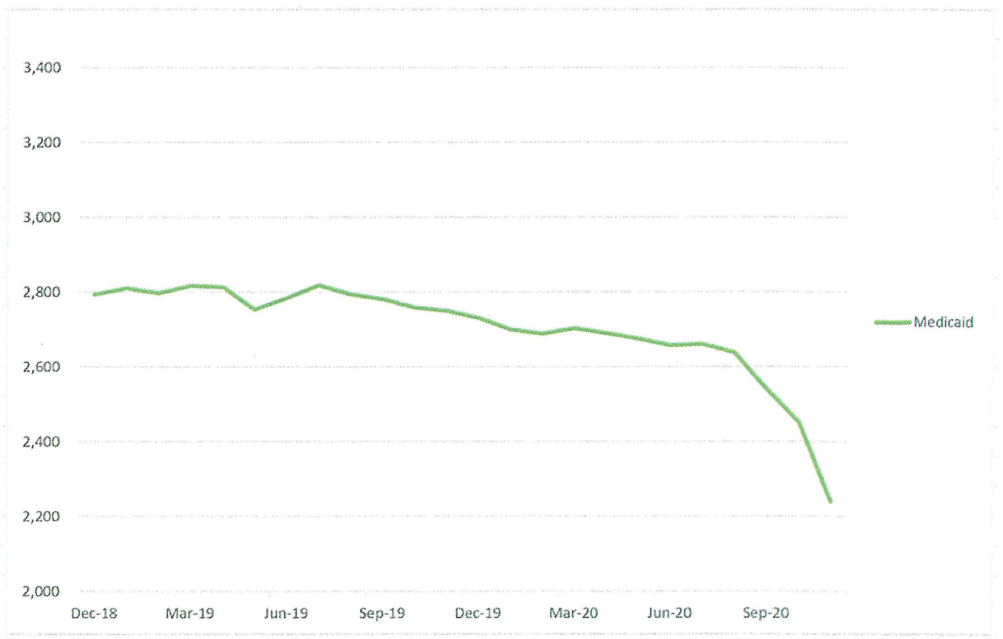


Bed Occupancy For Nursing Home Facilities

Nursing Facility Occupancy



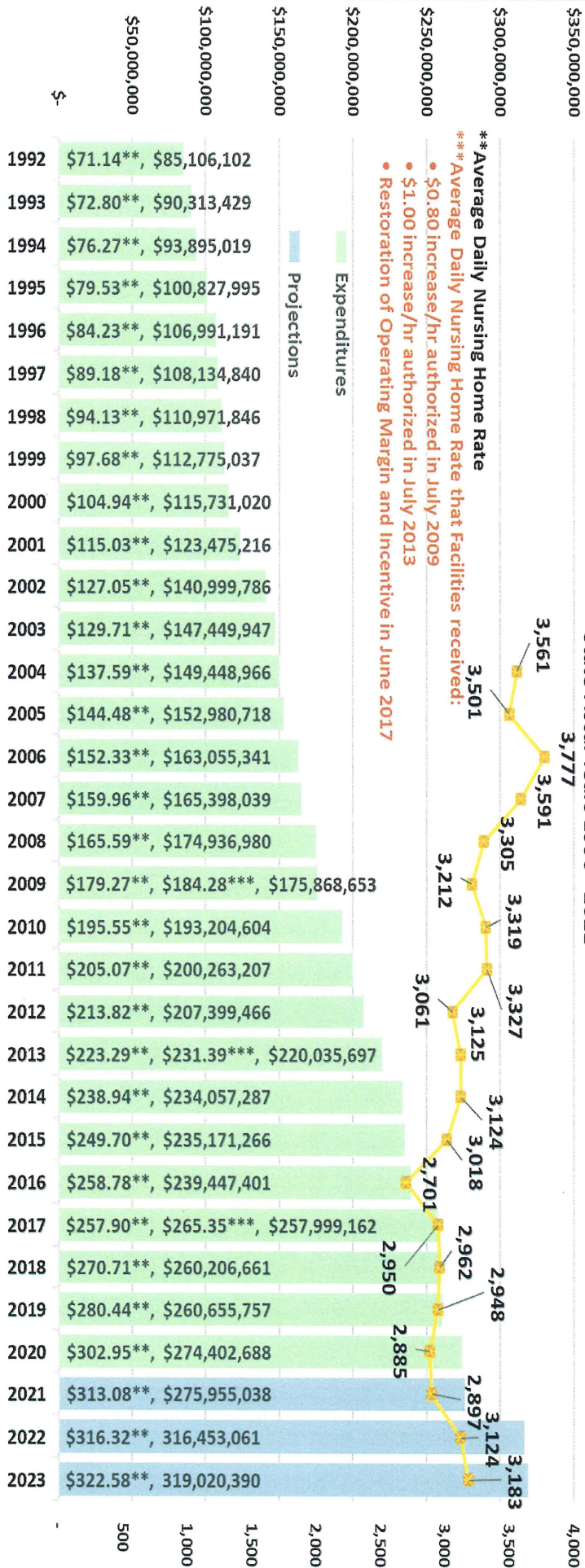
Nursing Facility Medicaid Occupancy



Nursing Home Facilities

State Fiscal Years 1990 - 2023

North Dakota Department of Human Services
Nursing Home Facilities
State Fiscal Years 1990 - 2021



** Average Daily Nursing Home Rate
*** Average Daily Nursing Home Rate that Facilities received:
• \$0.80 increase/hr authorized in July 2009
• \$1.00 increase/hr authorized in July 2013
• Restoration of Operating Margin and Incentive in June 2017

Data is based on paid date
* 1992 - 2020 represents actual expenditures
2022 and 2023 represents estimated expenditures in the Executive Budget
The average daily nursing home rate is effective January 1 of each year unless otherwise indicated

Burleigh/Morton

224

Medicaid beds



Cass

264

Medicaid beds



Grand Forks

163

Medicaid beds



Ward

25

Medicaid beds



Basic Care Facilities

Basic Care Payment Two Components

Personal Care Rate

- Medicaid funded
- For ADL and IADL assist
- Salaries and fringe benefits only
- Must be provide for at least 15 minutes per day
- No bed hold payment

Room and Board Rate

- **State Funded**
- Supplies and Property costs
- Allocated costs for non-hands-on care
- Bed hold payment applicable

Overview of Long-Term Care Services: HCBS



Home & Community- Based Services (HCBS)

Adults & Individuals with Physical Disabilities

- Service Payments for the Elderly and Disabled (SPED)
- Expanded SPED (Ex-SPED)
- Medicaid 1915-(c) Waivers
 - Aged and Disabled
 - Tech Dependent

Medicaid Programs

- Medicaid State Plan Personal Care (MSP-PC)
- Money Follows Person Grant – (MFP)
- Supervise HCBS Case Managers
- PACE

HCBS SUPPORTS INDIVIDUALS WITH DISABILITIES

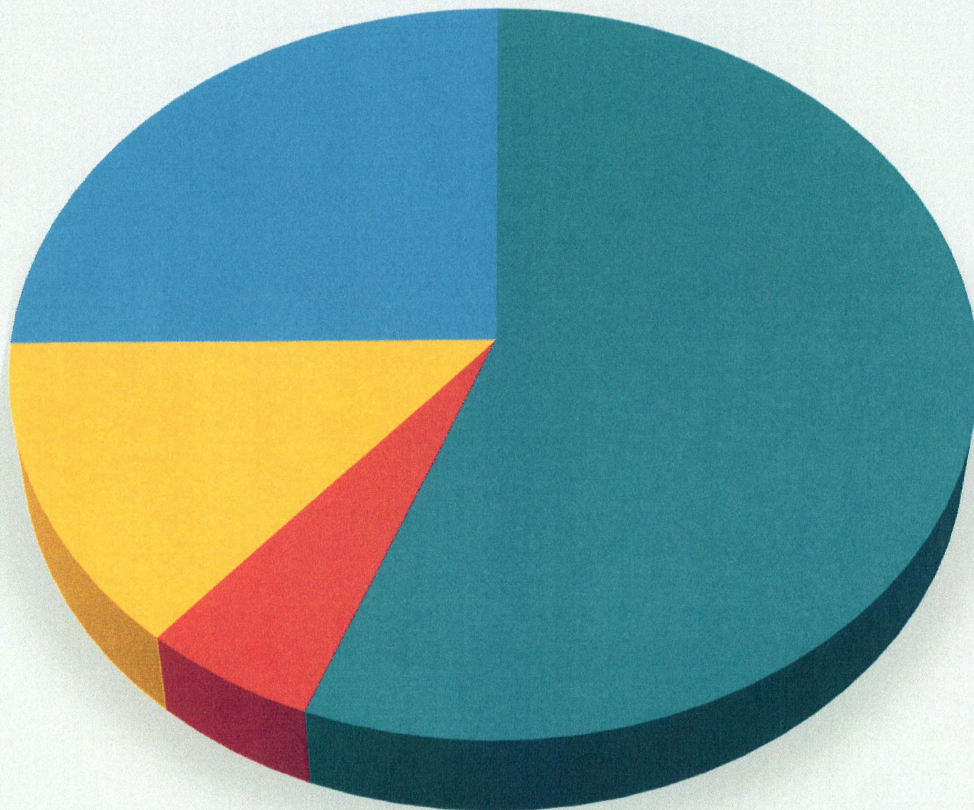
Olmstead Decision

- The Americans with Disabilities Act (ADA) requires public agencies to eliminate unnecessary segregation of persons with disabilities and provide services in the most integrated setting appropriate to the needs of the individual.
- In 1999 the Federal Supreme Court Olmstead decision affirmed the ADA requirements.
- Increasing access to HCBS will assist the State in meeting this requirement.

Benefits of HCBS

- Most integrated setting means, a setting where individuals with disabilities can fully interact with individuals with non-disabilities and take advantage of community living as much as possible.
 - Usually, a private residence owned or leased by the individual or their family.
- Most integrated setting for each individual is determined through person centered planning and informed choice.

CURRENT ACTIVE CLIENT CASES AS OF NOVEMBER 2020

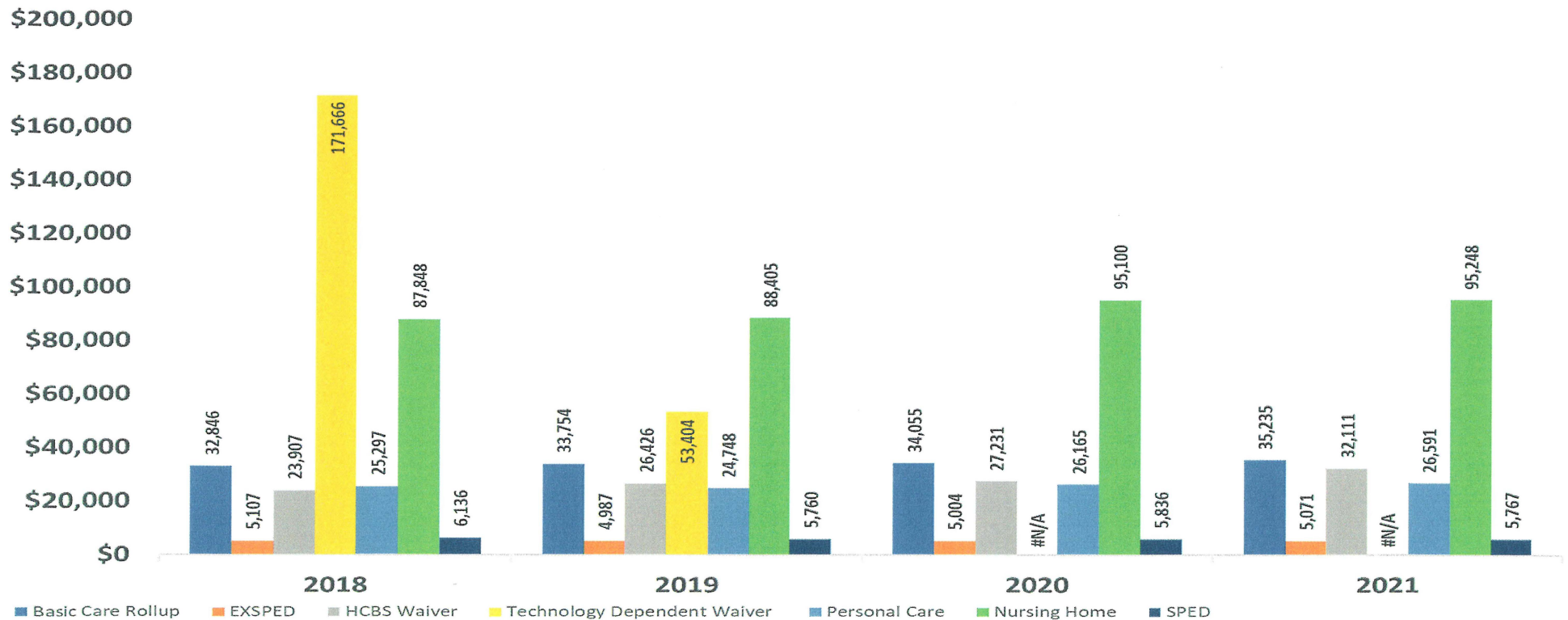


- SPED: 1,450
- Ex-SPED: 141
- HCBS WAIVER: 355
- MSP-PC: 654

Source: DHS HCBS Caseload Data Nov 2020

Aging Average Recipient Cost Per Year

State Fiscal Years 2018 - 2021



Data is based on paid date

2021 based on estimated expenditures, remaining years are based on actual paid claims

HCBS does not include room and board

Overview of Long-Term Care Services: Autism and Other Waivers





Overview of Autism & Other Waivers

Waiver & Voucher Services

- Children's Autism Spectrum Disorder Voucher

Medicaid 1915 (c) Waivers

- Children's Autism Spectrum Disorder 96 slots
- Children's Medically Fragile 25 slots
- Children's Hospice 30 slots

EXECUTIVE REQUEST 2021-2023



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Funding Requests

Nursing Home Payment Reform

- Reform of both care and property rate methodology
- Interim report submitted October 1, 2020
- Policy testimony will be presented in **Human Services Committee**
- DHS sponsored bill- House Bill 1090
- \$7.2 million (\$3.3m General; \$3.8m Federal)

Nursing Home Bed Buy Back

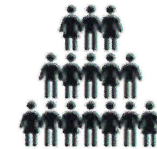
- Request to purchase beds out of the current nursing home system and layaway
- State plans to pay between \$12,000-\$15,000 per bed
- Taking beds out of the system reduces future State liability
- \$3.3m in General Funds



Services Closer to Home

Create pathways that help people access the right service at the right time

Engage proactively with providers to expand access to services



High-Performing Organization

Develop an adaptable, capable and mission driven workforce

Balance resources to achieve strategic goals

REDUCE PACE RATES & ENROLLMENT



Estimated Total Potential Savings **\$1,914,734**

Reduce PACE Rates & Enrollment

	Total	Federal	State
PACE Capitated Rate Reduction	\$ (1,385,545)	\$ (740,194)	\$ (645,351)
PACE Enrollment Reduction	\$ (529,189)	\$ (282,709)	\$ (246,480)
TOTAL POTENTIAL SAVINGS	\$ (1,914,734)	\$ (1,022,903)	\$ (891,831)

BASIC CARE REDUCTION



Estimated Total Potential Savings **\$7,300,000**

Basic Care Reduction

	Total	Federal	State
Basic Care	\$ (7,300,000)	\$ (0)	\$ (7,300,000)

SUMMARY OF AUTISM CHANGES



Estimated Total Potential General Fund Savings **\$623,000**

- **Autism Voucher** = **\$1.358 million** general fund savings by eliminating
- **Autism Waiver** = **\$830,000 increase** in general funds for **increase of 54 slots** and state plan services
- **Autism Training funds** = **\$93,000** in general fund savings by eliminating

ELIMINATION OF TECHNOLOGY DEPENDENT WAIVER

Estimated Total Potential Savings **\$596,112**

Elimination of TECH DEPENDENT WAIVER

	Total	Federal	State
Tech Dependent Waiver	\$ (596,112)	\$ (318,560)	\$ (277,552)

OVERVIEW OF LONG-TERM CARE BUDGET CHANGES

Description	Budget 2019-2021	Increase/ (Decrease)	Executive Budget 2021-2023
Grants	853,200	(330,000)	523,200
Medical Grants	736,510,531	85,531,242	822,041,773
Total	737,363,731	85,201,242	822,564,973
General Fund	377,567,931	26,612,730	404,180,661
Federal Funds	356,199,438	61,872,874	418,072,312
Other Funds	3,596,362	(3,284,362)	312,000
Total	737,363,731	85,201,242	822,564,973
Full Time Equivalent (FTE)	0.00	0.00	0.00

LONG-TERM CARE WALKTHROUGH

Service Description	Legislatively Approved Budget 2019 - 2021	Funding Shift	Cost to Continue	Medicaid FMAP	Take Autism Voucher Funds and move them into Autism Waiver	Basic Care Savings Plan	Eliminate Tech Dependent Waiver	PACE Rate Adjustment and Decrease Enrollment	Total Changes	2021-2023 Budget To OMB	1% & 1% Provider Inflationary Increases	Nursing Home Payment Reform	Medicaid Underfunding	Total Governor Changes	2021-2023 Budget To House
Nursing Facilities	582,849,867		39,676,637						39,676,637	622,526,504	5,646,947	7,200,000		12,846,947	635,373,451
Underfunding	(20,000,000)		20,000,000						20,000,000	0			(330,000)	(330,000)	(330,000)
Total Nursing Facilities	562,849,867	0	59,676,637	0	0	0	0	0	59,676,637	622,526,504	5,646,947	7,200,000	(330,000)	12,516,947	635,043,451
Basic Care	49,555,981		5,717,765			(7,300,000)			(1,582,235)	47,973,746	439,126			439,126	48,412,872
Home & Community Based Services	124,104,683	0	12,304,310	0	(645,673)	0	(596,112)	(1,914,734)	9,147,791	133,252,474	2,032,976	0	0	2,032,976	135,285,450
SPED	17,799,841		2,020,479			0			2,020,479	19,820,320	298,683			298,683	20,119,003
Ex-SPED	1,844,963		(10,073)			0			(10,073)	1,834,890	27,782			27,782	1,862,672
Personal Care Services	34,483,377		(3,206,937)			0			(3,206,937)	31,276,440	470,710			470,710	31,747,150
Targeted Case Management	1,917,742		(1,763,206)			0			(1,763,206)	154,536	2,326			2,326	156,862
Home & Comm Based Service Waiver	30,104,751		14,492,777			0			14,492,777	44,597,528	683,636			683,636	45,281,164
Children's Medically Fragile Waiver	544,416		(154,680)			0			(154,680)	389,736	5,866			5,866	395,602
Technology Dependent Waiver	591,288		4,824			0	(596,112)		(591,288)	0	0			0	0
PACE	32,866,676		1,946,562			0		(1,914,734)	31,828	32,898,504	509,262			509,262	33,407,766
Children's Hospice Waiver	61,848		10,224			0			10,224	72,072	1,085			1,085	73,157
Autism Waiver	2,564,772		(1,068,804)		712,480				(356,324)	2,208,448	33,626			33,626	2,242,074
Autism Voucher	1,325,009		33,144		(1,358,153)				(1,325,009)	0				0	0
	0		0												
Excess Federal Authority	0		0						0	0				0	0.00
Total	736,510,531	0	77,698,712	0	(645,673)	(7,300,000)	(596,112)	(1,914,734)	67,242,193	803,752,724	8,119,049	7,200,000	(330,000)	14,989,049	818,741,773

General Fund 276,744,724 4,000,000 40,340,873 (47,277,600) (4,026,853) (5,045,620) (977,550) (104,924) 46,620,400 202,245,422 2,004,298 2,240,000 (330,000) 7,043,298 400,257,454

LONG-TERM CARE TOTAL FUND CHANGE (IN MILLIONS)



LONG-TERM CARE GENERAL FUND CHANGE (IN MILLIONS)

■ Increase ■ Decrease ■ Total



Thank You!

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