



**2021 HB 1407**  
**Senate Human Services Committee**  
**Senator Judy Lee, Chairman**  
**March 8, 2021**

Chairman Lee and Members of the Senate Human Services Committee. I am Tim Blasl, President of the North Dakota Hospital Association. I am here to testify regarding House Bill 1407 and ask that you give this bill a **Do Pass** recommendation.

We support this bill because it would enhance collaboration between hospitals and North Dakota tribes to improve access to health care and strengthen continuity of care. This joint effort not only provides improved access to health care for American Indians, but it also provides the state with the opportunity to benefit from a Centers for Medicare & Medicaid Services (CMS) policy which provides 100 percent federal payments when an American Indian Medicaid beneficiary who is also eligible to receive care through Indian Health Services (IHS) receives care outside an IHS/Tribal facility, so long as the referring and receiving facilities have in place a care coordination agreement.

Currently, Medicaid payments at non-IHS/Tribal facilities for Medicaid-eligible American Indians are subject to states' regular Federal Medicaid Assistance Percentage (FMAP). North Dakota's current FMAP is 52.4 percent, meaning that for every dollar spent on medical services, the federal government contributes fifty-two cents. The new CMS policy provides 100 percent federal payment if requirements are met. One of those requirements is that the IHS/Tribal facility has in place a Care Coordination Agreement with the non-IHS/Tribal facility to which the patient is being referred.

It is estimated that this process could be providing millions in state general fund savings annually. The fiscal note on 2019 House Bill no. 1194, which created the law that this bill will amend, stated that, for the 2019-2021 biennium, the total savings were projected to be \$7,386,113 and for the 2021-2023 biennium, the total savings were projected to be \$8,532,324.

We support sharing the additional federal funding with participating Tribes in order to incentivize participation in the project and to recognize the additional work Tribes will need to do if they join the project. We ask that you give this bill a **Do Pass** recommendation.

I would be happy to try to answer any questions you may have. Thank you.

Respectfully Submitted,

Tim Blasl, President  
North Dakota Hospital Association