

**FIRST ENGROSSMENT  
with Conference Committee Amendments  
ENGROSSED SENATE BILL NO. 2012**

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of various divisions of  
2 the department of health and human services; to provide an appropriation to the university of  
3 North Dakota school of medicine and health sciences; to provide an exemption; to create and  
4 enact a new section to chapter 50-06 and a new subsection to section 50-24.1-07 of the North  
5 Dakota Century Code and two new subsections to the new section to chapter 54-52.1 as  
6 created by section 2 of Senate Bill No. 2140, as approved by the sixty-eighth legislative  
7 assembly, of the North Dakota Century Code, relating to public employee health benefits  
8 coverage of insulin, a North Dakota legislative health care task force, and Medicaid claims; to  
9 amend and reenact subsection 2 of section 12.1-04-07, sections 50-01.2-01, 50-06-42,  
10 50-11.1-02, 50-11.1-22, 50-11.1-23, 50-11.1-24, and 50-24.1-26, subsection 5 of section  
11 50-24.1-37, and sections 50-24.5-02.3 and 50-29-04 of the North Dakota Century Code, relating  
12 to fitness to proceed examination, human service zone board membership, the substance use  
13 disorder treatment voucher system, Medicaid in-home services, the best in class program, basic  
14 care payment rates, the Medicaid expansion program, and the children's health insurance  
15 program; to repeal section 50-06-32.1 of the North Dakota Century Code, relating to the autism  
16 voucher; to provide a statement of legislative intent; to provide for a legislative management  
17 study; to provide for a report; to provide an effective date; and to declare 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 health and human services for the purpose of defraying the  
23 expenses of its various divisions, for the biennium beginning July 1, 2023, and ending June 30,  
24 2025, as follows:

Sixty-eighth  
Legislative Assembly

1	Subdivision 1.			
2		MANAGEMENT		
3			Adjustments or	
4		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
5	Salaries and wages	\$21,363,556	(\$21,363,556)	\$0
6	Salaries and wages block grant	0	456,750,493	456,750,493
7	Operating expenses	151,161,924	95,654,000	246,815,924
8	Capital assets	<u>75,000</u>	<u>0</u>	<u>75,000</u>
9	Total all funds	\$172,600,480	\$531,040,937	\$703,641,417
10	Less estimated income	<u>92,905,426</u>	<u>293,796,361</u>	<u>386,701,787</u>
11	Total general fund	\$79,695,054	\$237,244,576	\$316,939,630
12	Subdivision 2.			
13		PROGRAM AND POLICY		
14			Adjustments or	
15		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
16	Salaries and wages	\$122,081,310	(\$122,081,310)	\$0
17	Operating expenses	176,078,719	59,740,165	235,818,884
18	Capital assets	10,000	0	10,000
19	Grants	467,144,387	168,924,549	636,068,936
20	Grants - medical assistance	3,028,666,463	396,605,903	3,425,272,366
21	Opioid prevention	<u>0</u>	<u>2,000,000</u>	<u>2,000,000</u>
22	Total all funds	\$3,793,980,879	\$505,189,307	\$4,299,170,186
23	Less estimated income	<u>2,499,452,627</u>	<u>269,279,579</u>	<u>2,768,732,206</u>
24	Total general fund	\$1,294,528,252	\$235,909,728	\$1,530,437,980
25	Subdivision 3.			
26		FIELD SERVICES		
27			Adjustments or	
28		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
29	Human service centers	\$163,213,829	(\$115,810,747)	\$47,403,082
30	Institutions	<u>130,383,428</u>	<u>(69,570,994)</u>	<u>60,812,434</u>
31	Total all funds	\$293,597,257	(\$185,381,741)	\$108,215,516

Sixty-eighth  
Legislative Assembly

1	Less estimated income	<u>114,273,300</u>	<u>(84,296,246)</u>	<u>29,977,054</u>
2	Total general fund	\$179,323,957	(\$101,085,495)	\$78,238,462

3 Subdivision 4.

4 COUNTY SOCIAL SERVICE FINANCING

5			Adjustments or	
6		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
7	County social services	<u>\$189,917,386</u>	<u>\$7,746,275</u>	<u>\$197,663,661</u>
8	Total all funds	\$189,917,386	\$7,746,275	\$197,663,661
9	Less estimated income	<u>188,676,995</u>	<u>8,969,793</u>	<u>197,646,788</u>
10	Total general fund	\$1,240,391	(\$1,223,518)	\$16,873

11 Subdivision 5.

12 TOTAL - SECTION 1

13			Adjustments or	
14		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
15	Grand total general fund	\$1,554,787,654	\$370,845,291	\$1,925,632,945
16	Grand total special funds	<u>2,895,308,348</u>	<u>487,749,487</u>	<u>3,383,057,835</u>
17	Grand total all funds	\$4,450,096,002	\$858,594,778	\$5,308,690,780
18	Full-time equivalent positions	2,265.33	0.00	2,265.33

19 **SECTION 2. ONE-TIME FUNDING.** The following amounts reflect the one-time funding  
20 items approved by the sixty-seventh legislative assembly for the 2021-23 biennium:

21	<u>One-Time Funding Description</u>	<u>2021-23</u>	<u>2023-25</u>
22	Technology projects	\$67,596,372	\$71,000,000
23	Quality measures	45,375	0
24	Nursing payment methodology	7,200,000	0
25	Developmental disabilities provider stabilization grants	125,000	0
26	Human service center projects	724,000	735,154
27	Opioid settlement funding	2,000,000	0
28	Special session one-time appropriations	138,389,558	0
29	State hospital design	0	12,500,000
30	Service grants	0	585,000
31	Cross-disability advisory council	0	1,400,000

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Legislative Assembly

1	Behavioral health facility grants	0	1,950,000
2	Base care payment study	0	600,000
3	Health care task force	0	750,000
4	Operating inflation	0	20,564,344
5	Program integrity audits	0	4,500,000
6	Pregnant and parenting residential	0	1,000,000
7	Law enforcement telehealth	<u>0</u>	<u>2,650,000</u>
8	Total all funds	\$216,080,305	\$118,234,498
9	Less estimated income	<u>191,847,089</u>	<u>103,752,326</u>
10	Total general fund	\$24,233,216	\$14,482,172

11       **SECTION 3. APPROPRIATION - UNIVERSITY OF NORTH DAKOTA SCHOOL OF**  
12 **MEDICINE AND HEALTH SCIENCES - CLINICAL INTEGRATED NETWORK GRANT.**

13       1. There is appropriated out of any moneys in the community health trust fund in the  
14 state treasury, not otherwise appropriated, the sum of \$3,500,000, or so much of the  
15 sum as may be necessary, to the university of North Dakota school of medicine and  
16 health sciences for the purpose of the center for rural health awarding a grant to a  
17 clinically integrated network, for the biennium beginning July 1, 2023, and ending  
18 June 30, 2025.

- 19       2. To qualify for a grant under this section, an applicant:
- 20       a. Must be a statewide value-based clinically integrated network that supports a  
21 majority of the independent critical access hospitals in the state.
  - 22       b. Must certify one dollar of matching funds for every five dollars of grant funds  
23 awarded.
  - 24       c. Shall demonstrate a strategic plan to accomplish the following goals:
    - 25       (1) Implementation of a data-sharing platform;
    - 26       (2) Utilization of value-based care contract modeling;
    - 27       (3) Utilization of data analytics software to provide for risk stratification and  
28 referral management capabilities;
    - 29       (4) Development of unified care management practices; and
    - 30       (5) Staffing of the clinically integrated network.

1           d.    Shall agree during the 2023-25 and 2025-27 bienniums to make annual reports  
2                   to the department of health and human services and the center for rural health on  
3                   the use of the grant funds and the status of accomplishing the clinically integrated  
4                   network strategic plan goals.

5           **SECTION 4. APPROPRIATION - 2021-23 BIENNIUM - CHILD SUPPORT.** There is  
6   appropriated out of any moneys in the department of health and human services operating fund  
7   in the state treasury, not otherwise appropriated, the sum of \$4,500, or so much of the sum as  
8   may be necessary, to the the department of health and human services for the purpose of  
9   repayment of moneys, including interest, not withheld by the state in accordance with section  
10  14-09-09.16 from an obligor's unemployment benefits from June 1, 2021, through  
11  September 30, 2021, for the period beginning with the effective date of this section and ending  
12  June 30, 2023.

13          **SECTION 5. FUNDING TRANSFERS - EXEMPTION - AUTHORIZATION - REPORT.**  
14  Notwithstanding section 54-16-04, the director of the office of management and budget shall  
15  transfer appropriation authority between line items within subdivisions 1, 2, 3, and 4 of  
16  section 1 of this Act, section 1 of House Bill No. 1004 as approved by the sixty-eighth legislative  
17  assembly, and any remaining appropriation authority for the department of health and human  
18  services approved by the sixty-eighth legislative assembly for the biennium beginning July 1,  
19  2023, and ending June 30, 2025, as requested by the department of health and human  
20  services. The department of health and human services may use the transfer authority in this  
21  section to transfer or expend funds for the continuation of the community behavioral health  
22  program pursuant to section 54-23.3-10. The department of health and human services shall  
23  notify the legislative council of any transfer made pursuant to this section. The department shall  
24  report to the budget section after June 30, 2024, any transfer made in excess of \$50,000 and to  
25  the appropriations committees of the sixty-ninth legislative assembly regarding any transfers  
26  made pursuant to this section.

27          **SECTION 6. TRANSFER OF APPROPRIATION AUTHORITY.** Section 1 of this Act and  
28  section 1 of House Bill No. 1004 include appropriation authority for the department of health and  
29  human services for the biennium beginning July 1, 2023, and ending June 30, 2025. On July 1,  
30  2023, the office of management and budget shall combine the appropriation authority contained  
31  in section 1 of this Act and section 1 of House Bill No. 1004, and any other appropriation

1 authority for the department of health and human services in other bills approved by the  
2 sixty-eighth legislative assembly, into one budget for the department of health and human  
3 services. The department of health and human services shall submit one budget request for the  
4 biennium beginning July 1, 2025, and ending June 30, 2027.

5 **SECTION 7. FULL-TIME EQUIVALENT POSITION BLOCK GRANT PROGRAM -**

6 **REPORT.** Subdivision 1 of section 1 of this Act includes funding for a full-time equivalent  
7 position block grant program. This funding, along with salaries and wages funding appropriated  
8 in House Bill No. 1004, as approved by the sixty-eighth legislative assembly, is available to fund  
9 full-time equivalent positions as determined by the department of health and human services.  
10 Notwithstanding any other provision of law, the department is authorized to increase or  
11 decrease authorized full-time equivalent positions subject to the availability of funds and the  
12 provisions of this section. The department may not increase full-time equivalent positions for the  
13 purpose of transferring human service zone employees to state employment. Pursuant to  
14 section 5 of this Act, the department is authorized to transfer funding to and from the salaries  
15 and wages block grant line item. The department shall report to the office of management and  
16 budget and legislative council any adjustments to full-time equivalent positions. The department  
17 shall provide reports to the legislative management regarding the use of funding for the  
18 program.

19 **SECTION 8. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND -**

20 **HUMAN SERVICE FINANCE FUND.** The office of management and budget shall transfer the  
21 sum of \$26,950,000 from the strategic investment and improvements fund to the human service  
22 finance fund during the biennium beginning July 1, 2023, and ending June 30, 2025.

23 **SECTION 9. ESTIMATED INCOME - HUMAN SERVICE FINANCE FUND.** The estimated

24 income line items in subdivisions 1 and 4 of section 1 of this Act includes the sum of  
25 \$226,950,000 from the human service finance fund for state-paid economic assistance and  
26 social and human services.

27 **SECTION 10. ESTIMATED INCOME - COMMUNITY HEALTH TRUST FUND.** The

28 estimated income line items in subdivisions 1 and 2 of section 1 of this Act includes the sum of  
29 \$24,317,500 from the community health trust fund for the following purposes:

- 30 1. The sum of \$20,400,000 for the child support computer replacement project;
- 31 2. The sum of \$1,867,500 for the 988 crisis hotline program;

- 1        3.    The sum of \$700,000 for costs to implement the cross-disability advisory council;
- 2        4.    The sum of \$600,000 for a study of basic care funding rates; and
- 3        5.    The sum of \$750,000 for costs of the health care task force.

4        **SECTION 11. ESTIMATED INCOME - HEALTH CARE TRUST FUND.** The estimated  
5 income line item in subdivision 2 of section 1 of this Act includes the sum of \$500,000 from the  
6 health care trust fund for basic care facility bad debt expense.

7        **SECTION 12. ESTIMATED INCOME - FEDERAL STATE FISCAL RECOVERY FUND.** The  
8 estimated income line items in subdivisions 2 and 3 of section 1 of this Act includes the sum of  
9 \$3,235,000 from the federal state fiscal recovery fund for the following purposes:

- 10       1.    The sum of \$2,650,000 to implement a virtual behavioral health crisis care program for  
11       rural law enforcement;
- 12       2.    The sum of \$300,000 for crisis organizations that provide crisis services to young  
13       adults who are at risk of being homeless or experiencing other serious adverse life  
14       events. After July 1, 2024, this funding may be provided only to organizations that are  
15       certified in services provided by the organization; and
- 16       3.    The sum of \$285,000 for grants to volunteer-based ecumenical ministry organizations.

17       **SECTION 13. ESTIMATED INCOME - CHARITABLE GAMING OPERATING FUND.**

18 Notwithstanding section 53-06.1-11.2, the estimated income line item in subdivision 2 of  
19 section 1 of this Act includes the sum of \$500,000 from the charitable gaming operating fund for  
20 costs of gambling disorder prevention services.

21       **SECTION 14. ESTIMATED INCOME - STRATEGIC INVESTMENT AND IMPROVEMENTS**

22 **FUND.** The estimated income line item in subdivision 5 of section 1 of this Act includes the sum  
23 of \$25,235,154 from the strategic investment and improvements fund for the following  
24 purposes:

- 25       1.    The sum of \$11,000,000 for the procurement and grants management system;
- 26       2.    The sum of \$12,500,000 for the design of a new state hospital;
- 27       3.    The sum of \$1,000,000 for pregnant and parenting women residential facilities; and
- 28       4.    The sum of \$735,154 for projects at the southeast human service center.

29       **SECTION 15. BEHAVIORAL HEALTH FACILITY GRANTS.** Section 1 of this Act includes  
30 the sum of \$1,950,000 from the general fund for the purpose of providing a one-time behavioral  
31 health facility grant to establish a behavioral health facility in the northwest human service

1 center region, for the biennium beginning July 1, 2023, and ending June 30, 2025. The  
2 department of health and human services shall provide a grant as follows:

- 3 1. The grant recipient must provide matching funds of \$1,750,000 to establish the facility.
- 4 2. The grant term must be for five years.
- 5 3. The requirements of chapter 54-44.4 do not apply to the selection of a grant recipient,  
6 the grant award, or payments made under this section.
- 7 4. To receive the grant, the behavioral health facility shall:
  - 8 a. Submit an application in the form and manner prescribed by the department;
  - 9 b. Enter a grant agreement with the department;
  - 10 c. Use grant funds to support the provision of behavioral health in the grant award  
11 service areas;
  - 12 d. Provide and disclose information needed to comply with the department's data  
13 collection requirements; and
  - 14 e. Operate in compliance with grant requirements.
- 15 5. The department may recapture grant funds distributed to a grant recipient found by the  
16 department to be out of compliance with the requirements established by the grant  
17 program, including ending or reducing the operation of the behavioral health facility in  
18 the service area.
- 19 6. The department may not collect property, equipment, or supplies purchased with grant  
20 funds from the grant recipient after successful completion of the terms of the grant.

21 **SECTION 16. HEALTH CARE TASK FORCE - APPROPRIATION - REPORT.**

22 Subdivision 1 of section 1 of this Act includes the sum of \$750,000 from the community health  
23 trust fund for expenses of the health care task force and for the purpose of facilitating the task  
24 force. The task force may seek funding from outside sources and any funds received are  
25 appropriated to the department of health and human services for activities of the task force for  
26 the biennium beginning July 1, 2023, and ending June 30, 2025. The purpose of the task force  
27 is to understand and create transparency around health care costs and the drivers of cost  
28 growth with the goal of lessening the impact of rising health care costs to citizens, businesses,  
29 and government. The task force shall take a holistic view to include the full payor mix, including  
30 the uninsured and charity care. The task force shall collect and analyze health care spending  
31 data to create meaningful actions to slow spending growth and improve health care access and

1 quality. The task force shall meet at least once each quarter and may request, obtain, review,  
2 and analyze information relating to North Dakota health care, including data, reports, audits,  
3 and other information as requested by the task force.

4 **SECTION 17. CAPITAL PAYMENTS.** During the biennium beginning July 1, 2023, and  
5 ending June 30, 2025, the department of health and human services is authorized to expend  
6 funds for the payment of special assessments at the state hospital, southeast human service  
7 center, and life skills and transition center. Pursuant to section 5 of this Act, the director of the  
8 office of management and budget may transfer appropriation authority between line items within  
9 subdivisions 1, 2, and 3 of section 1 of this Act, section 1 of House Bill No. 1004, and any  
10 remaining appropriation authority for the department of health and human services approved by  
11 the sixty-eighth legislative assembly. The department may transfer funds for the payment of  
12 special assessments at the state hospital, southeast human service center, and life skills and  
13 transition center ahead of the special assessments schedule. Notwithstanding section 54-27-12,  
14 the department may spend funds for the payment of special assessments at the state hospital  
15 and life skills and transition center.

16 **SECTION 18. CAPITAL PROJECTS - EMERGENCY COMMISSION APPROVAL.** During  
17 the biennium beginning July 1, 2023, and ending June 30, 2025, the department of health and  
18 human services is authorized to proceed with the demolition of the administrative building and  
19 employee building and associated tunnels at the state hospital. Pursuant to section 5 of this Act,  
20 the director of the office of management and budget may transfer appropriation authority  
21 between line items within subdivisions 1, 2, and 3 of section 1 of this Act, section 1 of House Bill  
22 No. 1004, and any remaining appropriation authority for the department of health and human  
23 services approved by the sixty-eighth legislative assembly. The department may transfer funds  
24 for the demolition of the identified buildings and associated tunnels and for emergency capital  
25 projects. Notwithstanding section 54-27-12, the department of health and human services may  
26 spend up to \$5,000,000 for emergency projects under this section and may seek emergency  
27 commission approval to spend more than \$5,000,000 under this section.

28 **SECTION 19. CHILD CARE FINANCIAL ASSISTANCE - DIRECT PAYMENTS.**  
29 Notwithstanding subsection 3 of section 50-11.1-14.1, the department may provide financial  
30 assistance to beneficiaries related to child care services. The requirements of chapter 54-44.4

1 do not apply to this subsection, including the selection of recipients and the disbursement of  
2 funds.

3 **SECTION 20. PERMANENT SUPPORTIVE HOUSING GRANTS.** Subdivision 2 of  
4 section 1 of this Act includes the sum of \$4,672,536 from the general fund for permanent  
5 supportive housing grants. The department of health and human services shall develop a  
6 funding methodology to distribute the funding to qualified entities that utilize best practices for  
7 permanent supportive housing, provide recovery-oriented and person-centered services, submit  
8 process and outcome measures to the department, and authorize the department to conduct  
9 onsite visits to review program operations.

10 **SECTION 21. STATE HOSPITAL PROJECT - COMMUNITY ACUTE PSYCHIATRY -**  
11 **REPORT.** Subdivision 3 of section 1 of this Act includes the sum of \$12,500,000 from the  
12 strategic investment and improvements fund as identified in section 14 of this Act for the design  
13 of a new state hospital. As part of the design process, the department of health and human  
14 services shall consider statewide acute psychiatric needs, including the establishment of acute  
15 psychiatric facilities in Dickinson, Williston, Minot, Devils Lake, and Grand Forks and shall  
16 consider collaborating and entering partnerships with local mental health and substance use  
17 disorder providers. The department shall present a report to the sixty-ninth legislative assembly  
18 regarding options for a new state hospital. The requirements of chapter 54-44.7 do not apply to  
19 the selection of a vendor, the procurement award, or payments made under this section  
20 regarding the design process and design of the new state hospital.

21 **SECTION 22. EXPENDITURES MAY NOT EXCEED APPROPRIATION - MEDICAL**  
22 **ASSISTANCE EXPANSION PROGRAM - APPLICATION.**

- 23 1. Subdivision 2 of section 1 of this Act includes the sum of \$802,616,809, of which  
24 \$80,261,681 is from the general fund, for the medical assistance expansion program  
25 for the biennium beginning July 1, 2023, and ending June 30, 2025. The expenditures  
26 for individuals eligible for the medical assistance expansion program may not exceed  
27 this amount.
- 28 2. The department of health and human services may exceed appropriations for  
29 increases in medical assistance expansion program caseload, for the addition of  
30 coverage consistent with the traditional Medicaid 1915(i) state plan, utilization rates,

1 and unwinding of the federal Medicaid continuous enrollment requirement, and  
2 reduction in federal medical assistance percentage.

3 3. The managed care organization under contract with the department to manage the  
4 medical assistance expansion program shall reimburse providers within the same  
5 provider type and specialty at consistent levels and with consistent methodology and  
6 may not provide incentive, quality, or supplemental payments to providers, unless part  
7 of a value-based program approved by the department. The managed care  
8 organization shall reimburse all North Dakota substance use providers of American  
9 society of addiction medicine level 2.5 at consistent levels and with consistent  
10 methodology. The managed care organization may consider urban and rural providers  
11 as different provider types.

12 4. The managed care organization and the department of health and human services  
13 shall ensure payments to Indian or Tribal 638 health care providers, federally qualified  
14 health centers, and rural health clinics meet the federally required minimum levels of  
15 reimbursement. Critical access hospitals may not be paid less than one hundred  
16 percent of Medicare allowable costs and human service centers may not be paid less  
17 than one hundred percent of the current traditional Medicaid rate. Behavioral health  
18 services involving partial hospitalization, intensive outpatient, professional services,  
19 and residential behavioral health services provided in facilities that are not institutions  
20 for mental diseases are not subject to the provisions in subsection 6.

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

27 6. Except for the provisions in subsection 4, managed care organization premium  
28 payments must be built using the assumption that rates paid to providers under the  
29 medical assistance expansion program may not exceed one hundred forty-five percent  
30 of Medicare reimbursement. This subsection applies to any medical assistance

1 expansion program provider fee schedule that becomes effective on or after  
2 January 1, 2025.

3 **SECTION 23. DEPARTMENT OF HEALTH AND HUMAN SERVICES - PUBLIC AND**  
4 **PARENTING RESOURCE WEBSITE.** The department of health and human services shall

5 develop and maintain a state internet website that provides information and links to social  
6 services, financial assistance, parenting information, maternal and childbirth life services,  
7 planning guidance, care centers and agencies, and other available public and private resources  
8 for expectant families and new parents. The department may contract with a third party for the  
9 development of the website. The website must be operational by August 1, 2023, and have a  
10 domain name life.nd.gov or a similar domain name. The website must be distinct from the  
11 department's website and the department shall place a clear and conspicuous link to the  
12 website on the department website.

13 **SECTION 24. QUARTERLY BUDGET AND UTILIZATION REPORTS.** During the biennium  
14 beginning July 1, 2023, and ending June 30, 2025, the department of health and human  
15 services shall make quarterly reports available that detail the status of the department's budget  
16 and the utilization rates of programs. The reports must be made available within 30 days of the  
17 close of each quarter.

18 **SECTION 25. AMENDMENT.** Subsection 2 of section 12.1-04-07 of the North Dakota  
19 Century Code is amended and reenacted as follows:

- 20 2. An examination must occur within fifteen days from receipt of material necessary to  
21 examine the fitness of the individual and notice of entry of the order served upon the  
22 tier 1a mental health professional. Attorneys shall disclose any materials necessary to  
23 examine the fitness of the individual to the tier 1a examiner contemporaneously with  
24 the order. For good cause shown, the court may grant an extension allowing an  
25 additional seven days to complete the examination.

26 **SECTION 26. AMENDMENT.** Section 50-01.2-01 of the North Dakota Century Code is  
27 amended and reenacted as follows:

28 **50-01.2-01. Human service zone board - Members - Qualifications.**

29 The board of county commissioners of each county within the human service zone shall  
30 appoint the appointed members of the human service zone board based upon fitness to serve  
31 as members by reason of character, experience, and training without regard to political

1 affiliation. Appointed members of the human service zone board must consist of local elected  
2 officials and other key community partners, including at least one member of the legislative  
3 assembly. If a human service zone consists of two or more counties, each county must be  
4 represented on the human service zone board by only one county commissioner of that county.  
5 If a human service zone consists of a single county, the county must be represented on the  
6 human service zone board by no more than two county commissioners of that county and the  
7 human service zone board must have at least five appointed members. Appointed members  
8 shall elect a vice presiding officer and appoint a secretary, and other officers as the human  
9 service zone board determines necessary. The human service zone director shall serve as  
10 presiding officer of the human service zone board as a nonappointed member.

11 **SECTION 27. AMENDMENT.** Section 50-06-42 of the North Dakota Century Code is  
12 amended and reenacted as follows:

13 **50-06-42. Substance use disorder treatment voucher system. (~~Retroactive application~~**  
14 **~~-See note~~)**

- 15 1. The department shall establish and administer, within the limits of legislative  
16 appropriations, a voucher system to address underserved areas and gaps in the  
17 state's substance abuse treatment system and to assist in the payment of addiction  
18 treatment services provided by licensed substance abuse treatment programs,  
19 excluding regional human service centers; and hospital- or medical clinic-based  
20 programs for medical management of withdrawal, ~~and any institution for mental~~  
21 ~~diseases in accordance with subsection 2.~~ An out-of-state licensed substance abuse  
22 treatment program located within a bordering state may participate in the voucher  
23 program to serve an underserved area of this state pursuant to the rules adopted by  
24 the department. The department shall develop rules to include processes and  
25 requirements for an out-of-state provider to receive reimbursement only for outpatient  
26 and community-based services upon a provider completing an assessment of need  
27 and receiving approval from the department.
- 28 2. ~~The department shall deny a licensed substance abuse treatment program's~~  
29 ~~substance use disorder treatment voucher system application and deny~~  
30 ~~reimbursement by the substance use disorder treatment voucher system if the~~

1           ~~licensed substance abuse treatment program is an institution for mental diseases and~~  
2           ~~reimbursement is requested for residential beds added on or after July 1, 2020.~~

3           3. Services eligible for the voucher program include only those levels of care recognized  
4           by the American society of addiction medicine, with particular emphasis given to  
5           underserved areas and programs. The department shall ensure that a licensed  
6           substance abuse treatment program, hospital, and medical clinic program accepting  
7           vouchers collects and reports process and outcome measures.

8           4.3. The department shall develop requirements and provide training and technical  
9           assistance to a licensed substance abuse treatment program, hospital, and medical  
10          clinic program accepting vouchers. A licensed substance abuse treatment program,  
11          hospital, and medical clinic program accepting vouchers shall provide evidence-based  
12          services.

13          5.4. The department shall allocate funding appropriated for the substance use disorder  
14          treatment voucher as follows:  
15               a. No more than forty-five percent of the appropriated amount may be allocated for  
16               residential substance use disorder services administered by licensed substance  
17               abuse treatment programs with more than sixteen beds.  
18               b. The remaining appropriation must be allocated for residential programs with  
19               sixteen or fewer beds, nonresidential outpatient, and ancillary substance use  
20               disorder services administered by licensed substance abuse treatment programs.

21          **SECTION 28.** A new section to chapter 50-06 of the North Dakota Century Code is created  
22          and enacted as follows:

23          **North Dakota legislative health care task force - Duties - Membership - Legislative**  
24          **management report.**

25          There is created a North Dakota legislative health care task force. The task force shall meet  
26          at least once each quarter and may request, obtain, review, and analyze information relating to  
27          North Dakota health care, including data, reports, audits, and other information as requested by  
28          the task force. The department of health and human services shall provide staff services for the  
29          task force. The task force shall submit a report of its activities and any recommendations to  
30          improve health care in the state to the legislative management by October first of each year.  
31          The chairman of the task force must be a member of the legislative assembly appointed by the

1 chairman of the legislative management. The chairman of the task force may invite guests to  
2 participate in task force activities. The task force consists of the following members:

3 1. The chairman of the house appropriations committee human resources division, or the  
4 chairman's designee;

5 2. The chairman of the senate appropriations committee human resources division, or  
6 the chairman's designee;

7 3. The chairman of the house human services committee, or the chairman's designee;

8 4. The chairman of the senate human services committee, or the chairman's designee;

9 5. One member of the house of representatives as appointed by the house minority  
10 leader;

11 6. One member of the senate as appointed by the senate minority leader;

12 7. The commissioner of the department of health and human services, or the  
13 commissioner's designee;

14 8. Two members of the department of health and human services, including the state  
15 health officer and one member appointed by the commissioner of the department of  
16 health and human services;

17 9. One member from the governor's office, appointed by the governor;

18 10. The insurance commissioner, or the insurance commissioner's designee;

19 11. Two members to represent the North Dakota health insurance industry;

20 12. One member of the public, appointed by an organization that represents North Dakota  
21 businesses;

22 13. One member appointed by the Indian affairs commissioner to represent tribal health  
23 care;

24 14. One member from a North Dakota association that represents physicians;

25 15. Five members from a North Dakota association that represents hospitals, of which:

26 a. Two members must represent rural hospitals, including one representative of a  
27 hospital in a city with a population of ten thousand or more and one  
28 representative of a hospital in a city with a population under ten thousand;

29 b. Two members must represent urban hospitals, including one representative of an  
30 independent hospital and one representative of an integrated health care system;  
31 and

- 1           c. One member must represent a psychiatric hospital; and  
2       16. Any other members appointed by the chairman of legislative management.

3       **SECTION 29. AMENDMENT.** Section 50-11.1-02 of the North Dakota Century Code is  
4 amended and reenacted as follows:

5       **50-11.1-02. Definitions. (~~Effective through June 30, 2025~~)**

6       As used in this chapter, unless the context or subject matter otherwise requires:

- 7       1. "Authorized agent" means the human service zone, unless another entity is  
8       designated by the department.
- 9       2. "Child care center" means an early childhood program licensed to provide early  
10      childhood services to nineteen or more children.
- 11      3. "Department" means the department of health and human services.
- 12      4. "Drop-in care" means the care of children on a one-time, occasional, or unscheduled  
13      basis to meet the short-term needs of families.
- 14      5. "Early childhood program" means any program licensed under this chapter where  
15      early childhood services are provided for at least two hours a day for three or more  
16      days a week.
- 17      6. "Early childhood services" means the care, supervision, education, or guidance of a  
18      child or children, which is provided in exchange for money, goods, or other services.  
19      Early childhood services does not include:
- 20      a. Substitute parental child care provided pursuant to chapter 50-11.
- 21      b. Child care provided in any educational facility, whether public or private, in grade  
22      one or above.
- 23      c. Child care provided in a kindergarten which has been established pursuant to  
24      chapter 15.1-22 or a nonpublic elementary school program approved pursuant to  
25      section 15.1-06-06.1.
- 26      d. Child care, preschool, and prekindergarten services provided to children under  
27      six years of age in any educational facility through a program approved by the  
28      department.
- 29      e. Child care provided in facilities operated in connection with a church, business, or  
30      organization where children are cared for during periods of time not exceeding

- 1 four continuous hours while the child's parent is attending church services or is  
2 engaged in other activities, on the premises.
- 3 f. Schools or classes for religious instruction conducted by religious orders during  
4 the summer months for not more than two weeks, Sunday schools, weekly  
5 catechism, or other classes for religious instruction.
- 6 g. Summer resident or day camps for children which serve no children under six  
7 years of age for more than two weeks.
- 8 h. Sporting events, practices for sporting events, or sporting or physical activities  
9 conducted under the supervision of an adult.
- 10 i. Head start and early head start programs that are federally funded and meet  
11 federal head start performance standards.
- 12 j. Child care provided in a medical facility by medical personnel to children who are  
13 ill.
- 14 7. "Family child care" means a private residence licensed to provide early childhood  
15 services for no more than seven children at any one time, except that the term  
16 includes a residence licensed to provide early childhood services to two additional  
17 school-age children.
- 18 8. "Four-year old program" means an approved child care program operated by a public  
19 or private educational entity or an early childhood program designed to serve four-year  
20 olds.
- 21 9. "Group child care" means a child care program licensed to provide early childhood  
22 services for thirty or fewer children.
- 23 10. "Household member" means an adult living in the private residence out of which a  
24 program is operated, regardless of whether the adult is living there permanently or  
25 temporarily.
- 26 11. "Human service zone" means a county or consolidated group of counties  
27 administering human services within a designated area in accordance with an  
28 agreement or plan approved by the department.
- 29 12. "In-home provider" means any person who provides early childhood services to  
30 children in the children's home.

- 1       13. "Licensed" means an early childhood program has the rights, authority, or permission  
2           granted by the department to operate and provide early childhood services.
- 3       14. "Multiple licensed program" means an early childhood program licensed to provide  
4           more than one type of early childhood services.
- 5       15. "Owner" or "operator" means the person who has legal responsibility for the early  
6           childhood program and premises.
- 7       16. "Parent" means an individual with the legal relationship of father or mother to a child or  
8           an individual who legally stands in place of a father or mother, including a legal  
9           guardian or custodian.
- 10      17. "Premises" means the indoor and outdoor areas approved for providing early  
11          childhood services.
- 12      18. "Preschool" means a program licensed to offer early childhood services, which follows  
13          a preschool curriculum and course of study designed primarily to enhance the  
14          educational development of the children enrolled and which serves no child for more  
15          than three hours per day.
- 16      19. "Public approval" means a nonlicensed early childhood program operated by a  
17          government entity that has self-certified that the program complies with this chapter.
- 18      20. "Registrant" means the holder of an in-home provider registration document issued by  
19          the department in accordance with this chapter.
- 20      21. "Registration" means the process whereby the department maintains a record of all  
21          in-home providers who have stated that they have complied or will comply with the  
22          prescribed standards and adopted rules.
- 23      22. "Registration document" means a written instrument issued by the department to  
24          publicly document that the registrant has complied with this chapter and the applicable  
25          rules and standards as prescribed by the department.
- 26      23. "School-age child care" means a child care program licensed to provide early  
27          childhood services on a regular basis for nineteen or more children aged five years  
28          through eleven years.
- 29      24. "School-age children" means children served under this chapter who are at least five  
30          years but less than twelve years of age.

- 1       25. "Self-declaration" means voluntary documentation of an individual providing early  
2       childhood services in a private residence for up to five children through the age of  
3       eleven, of which no more than three may be under the age of twenty-four months.
- 4       26. "Staff member" means an individual:
- 5       a. Who is an employee of an early childhood program or of an early childhood  
6       services provider under a self-declaration;
- 7       b. Whose activities involve the care, supervision, or guidance of children of an early  
8       childhood program; or
- 9       c. Who may have unsupervised access to children under the care, supervision, or  
10      guidance of an early childhood program or early childhood services provider  
11      under a self-declaration.

12 **Definitions. (Effective after June 30, 2025)**

13 As used in this chapter, unless the context or subject matter otherwise requires:

- 14 1. ~~"Authorized agent" means the human service zone, unless another entity is~~  
15 ~~designated by the department.~~
- 16 2. ~~"Child care center" means an early childhood program licensed to provide early~~  
17 ~~childhood services to nineteen or more children.~~
- 18 3. ~~"Department" means the department of health and human services.~~
- 19 4. ~~"Drop-in care" means the care of children on a one-time, occasional, or unscheduled~~  
20 ~~basis to meet the short-term needs of families.~~
- 21 5. ~~"Early childhood program" means any program licensed under this chapter where~~  
22 ~~early childhood services are provided for at least two hours a day for three or more~~  
23 ~~days a week.~~
- 24 6. ~~"Early childhood services" means the care, supervision, education, or guidance of a~~  
25 ~~child or children, which is provided in exchange for money, goods, or other services.~~  
26 ~~Early childhood services does not include:~~
- 27 a. ~~Substitute parental child care provided pursuant to chapter 50-11.~~
- 28 b. ~~Child care provided in any educational facility, whether public or private, in grade~~  
29 ~~one or above.~~

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Legislative Assembly

- 1 e. ~~Child care provided in a kindergarten which has been established pursuant to~~  
2 ~~chapter 15.1-22 or a nonpublic elementary school program approved pursuant to~~  
3 ~~section 15.1-06-06.1.~~
- 4 d. ~~Child care, preschool, and prekindergarten services provided to children under~~  
5 ~~six years of age in any educational facility through a program approved by the~~  
6 ~~department.~~
- 7 e. ~~Child care provided in facilities operated in connection with a church, business, or~~  
8 ~~organization where children are cared for during periods of time not exceeding~~  
9 ~~four continuous hours while the child's parent is attending church services or is~~  
10 ~~engaged in other activities, on the premises.~~
- 11 f. ~~Schools or classes for religious instruction conducted by religious orders during~~  
12 ~~the summer months for not more than two weeks, Sunday schools, weekly~~  
13 ~~catechism, or other classes for religious instruction.~~
- 14 g. ~~Summer resident or day camps for children which serve no children under six~~  
15 ~~years of age for more than two weeks.~~
- 16 h. ~~Sporting events, practices for sporting events, or sporting or physical activities~~  
17 ~~conducted under the supervision of an adult.~~
- 18 i. ~~Head start and early head start programs that are federally funded and meet~~  
19 ~~federal head start performance standards.~~
- 20 j. ~~Child care provided in a medical facility by medical personnel to children who are~~  
21 ~~ill.~~
- 22 7. ~~"Family child care" means a private residence licensed to provide early childhood~~  
23 ~~services for no more than seven children at any one time, except that the term~~  
24 ~~includes a residence licensed to provide early childhood services to two additional~~  
25 ~~school-age children.~~
- 26 8. ~~"Group child care" means a child care program licensed to provide early childhood~~  
27 ~~services for thirty or fewer children.~~
- 28 9. ~~"Household member" means an adult living in the private residence out of which a~~  
29 ~~program is operated, regardless of whether the adult is living there permanently or~~  
30 ~~temporarily.~~

Sixty-eighth  
Legislative Assembly

- 1        10.    ~~"Human service zone" means a county or consolidated group of counties~~  
2            ~~administering human services within a designated area in accordance with an~~  
3            ~~agreement or plan approved by the department.~~
- 4        11.    ~~"In-home provider" means any person who provides early childhood services to~~  
5            ~~children in the children's home.~~
- 6        12.    ~~"Licensed" means an early childhood program has the rights, authority, or permission~~  
7            ~~granted by the department to operate and provide early childhood services.~~
- 8        13.    ~~"Multiple licensed program" means an early childhood program licensed to provide~~  
9            ~~more than one type of early childhood services.~~
- 10       14.    ~~"Owner" or "operator" means the person who has legal responsibility for the early~~  
11           ~~childhood program and premises.~~
- 12       15.    ~~"Parent" means an individual with the legal relationship of father or mother to a child or~~  
13           ~~an individual who legally stands in place of a father or mother, including a legal~~  
14           ~~guardian or custodian.~~
- 15       16.    ~~"Premises" means the indoor and outdoor areas approved for providing early~~  
16           ~~childhood services.~~
- 17       17.    ~~"Preschool" means a program licensed to offer early childhood services, which follows~~  
18           ~~a preschool curriculum and course of study designed primarily to enhance the~~  
19           ~~educational development of the children enrolled and which serves no child for more~~  
20           ~~than three hours per day.~~
- 21       18.    ~~"Public approval" means a nonlicensed early childhood program operated by a~~  
22           ~~government entity that has self-certified that the program complies with this chapter.~~
- 23       19.    ~~"Registrant" means the holder of an in-home provider registration document issued by~~  
24           ~~the department in accordance with this chapter.~~
- 25       20.    ~~"Registration" means the process whereby the department maintains a record of all~~  
26           ~~in-home providers who have stated that they have complied or will comply with the~~  
27           ~~prescribed standards and adopted rules.~~
- 28       21.    ~~"Registration document" means a written instrument issued by the department to~~  
29           ~~publicly document that the registrant has complied with this chapter and the applicable~~  
30           ~~rules and standards as prescribed by the department.~~

- 1       22. ~~"School-age child care" means a child care program licensed to provide early-~~  
2           ~~childhood services on a regular basis for nineteen or more children aged five years-~~  
3           ~~through eleven years.~~
- 4       23. ~~"School-age children" means children served under this chapter who are at least five-~~  
5           ~~years but less than twelve years of age.~~
- 6       24. ~~"Self-declaration" means voluntary documentation of an individual providing early-~~  
7           ~~childhood services in a private residence for up to five children through the age of~~  
8           ~~eleven, of which no more than three may be under the age of twenty-four months.~~
- 9       25. ~~"Staff member" means an individual:~~
- 10           a. ~~Who is an employee of an early childhood program or of an early childhood-~~  
11           ~~services provider under a self-declaration;~~
- 12           b. ~~Whose activities involve the care, supervision, or guidance of children of an early-~~  
13           ~~childhood program; or~~
- 14           c. ~~Who may have unsupervised access to children under the care, supervision, or~~  
15           ~~guidance of an early childhood program or early childhood services provider-~~  
16           ~~under a self-declaration.~~

17       **SECTION 30. AMENDMENT.** Section 50-11.1-22 of the North Dakota Century Code is  
18 amended and reenacted as follows:

19       **50-11.1-22. Early childhood grant for best in class four-year old experiences. (~~Expired-~~**  
20 **~~effective July 1, 2025)~~**

- 21       1. A four-year old program deemed eligible under section 50-11.1-23 may submit an  
22 application for the best in class four-year old experiences grant. An approved program  
23 is eligible for an annual award of one hundred twenty thousand dollars per approved  
24 group size. The grant award must be matched with no less than twenty thousand  
25 dollars in other funds. The department shall assign a program support coach to each  
26 approved program. An approved program:
- 27       a. Shall utilize the assigned support coach and utilize the sliding fee scale for parent  
28 fees, as established by the department.
- 29       b. May use grant funds to support the provision of quality early childhood  
30 experiences, including expenditures related to staffing, training, equipment, and  
31 supplies.

1           c.    May not use grant funds for construction or rehabilitation. An approved program  
2                    must enter a grant agreement with the department.

3           2.    The department may not collect equipment or supplies purchased with grant funds  
4                    from the approved program after successful completion of the term of the grant.

5           **SECTION 31. AMENDMENT.** Section 50-11.1-23 of the North Dakota Century Code is  
6 amended and reenacted as follows:

7           **50-11.1-23. Eligibility for best in class four-year old experiences grant. (~~Expired-~~**  
8 **~~effective July 1, 2025~~)**

9           1.    A four-year old program may submit, in the form and manner prescribed by the  
10                   department, an application to the department for a grant under section 50-11.1-22, if  
11                   the provider certifies to the department the provider:

12           a.    Operates a four-year old program in this state;

13           b.    Operates a four-year old program for children who have reached four years of  
14                   age before August first in the year of enrollment;

15           c.    Operates a four-year old program that has a duration of at least four hundred  
16                   hours over a period of at least thirty-two consecutive weeks;

17           d.    Incorporates within the four-year old program at least ten hours of  
18                   research-based family engagement;

19           e.    Has been determined to meet the standards and expectations of no less than  
20                   step three in the North Dakota early childhood quality improvement system;

21           f.    Is willing to admit children of all learning abilities into the four-year old program;

22           g.    Is willing to admit children who receive assistance from the child care assistance  
23                   program into the four-year old program; and

24           h.    Is willing to operate in compliance with the grant requirements, including:

25                   (1)   Maintaining the recommended group size for number of children served in  
26                   the four-year old program;

27                   (2)   Complying with requirements related to qualifications, training, and  
28                   professional development of staff delivering services in the four-year old  
29                   program; and

30                   (3)   Adhering to expectations established by the department related to four-year  
31                   old program monitoring and oversight.

- 1        2.    The department may distribute grants under this section to approved four-year old  
2            programs, including four-year old programs operated as early childhood programs by  
3            educational facilities or federally funded head start programs or in connection with a  
4            church, business, or organization that operates a four-year old program.
- 5        3.    The department may recapture grant funds distributed to an approved four-year old  
6            program found by the department to be out of compliance with requirements  
7            established for the best in class four-year old experiences grant program.

8        **SECTION 32. AMENDMENT.** Section 50-11.1-24 of the North Dakota Century Code is  
9        amended and reenacted as follows:

10       **50-11.1-24. Grant program data collection - Requirements. (~~Expired effective July 1,~~**  
11 **~~2025~~)**

12        The state agency with approval authority over four-year old programs, with the advice and  
13        consent of the department, shall implement a uniform system for the accounting, budgeting, and  
14        reporting of data by any four-year old program provider to whom or to which grants are  
15        distributed under section 50-11.1-23. Grants may be withheld or forfeited, in whole or in part, if  
16        information required in accordance with this section is not submitted at the time or in the  
17        manner requested by the state agency with approval authority over four-year old programs. A  
18        grant recipient shall consent to provide information needed to comply with data collection  
19        requirements. The state agency with approval authority over four-year old programs shall  
20        disclose the requested information to the department.

21       **SECTION 33.** A new subsection to section 50-24.1-07 of the North Dakota Century Code is  
22        created and enacted as follows:

23            In any probate proceedings in which the department has filed a claim under this  
24            section, no additional evidence of foundation may be required for the admission of the  
25            department's payment record supporting the department's claim if the payment record  
26            is certified as a true copy and bears the signature of a representative of the  
27            department. There is a rebuttable presumption that the amount of medical assistance  
28            on the claim was incurred and paid on behalf of the recipient of medical assistance  
29            and is an allowable claim.

30       **SECTION 34. AMENDMENT.** Section 50-24.1-26 of the North Dakota Century Code is  
31        amended and reenacted as follows:

1           **50-24.1-26. Medicaid waivers - In-home services.**

2           The department shall administer Medicaid waivers to provide in-home services to children  
3 with extraordinary medical needs and to children up to the age of ~~sixteen~~eighteen diagnosed  
4 with an autism spectrum disorder who would otherwise meet institutional level of care. The  
5 department may prioritize applicants for the waiver for children with extraordinary medical  
6 needs by degree of need.

7           **SECTION 35. AMENDMENT.** Subsection 5 of section 50-24.1-37 of the North Dakota  
8 Century Code is amended and reenacted as follows:

9           5.    Provider and managed care organization reimbursement rate information received or  
10           held by the department under this section is an open record.

11           **SECTION 36. AMENDMENT.** Section 50-24.5-02.3 of the North Dakota Century Code is  
12 amended and reenacted as follows:

13           **50-24.5-02.3. Basic care payment rates.**

- 14           1.    The department shall ~~establish, by rule, procedures for determining rates~~determine  
15           limits for the care of residents of basic care facilities that qualify as vendors of an  
16           aged, blind, and disabled persons program and for implementing provisions of this  
17           chapter. ~~The procedures must be based on methods and standards that the~~  
18           ~~department finds are adequate to recognize the~~data demonstrating the most recent  
19           costs that must be incurred for the care of residents in efficiently and economically  
20           operated basic care facilities. The department shall determine the limits every four  
21           years by July first, beginning with July 1, 2023.
- 22           2.    The department shall ~~identify costs that are recognized for establishing payment~~  
23           ~~rates~~establish the limits by using the median rates from the most recent data available.  
24           The direct care limit must be the median plus eighteen percent. The indirect care limit  
25           must be the median plus twelve percent.
- 26           3.    For the rate year beginning July 1, ~~2016~~2023, the department shall ~~establish the limits~~  
27           ~~by using the average of the highest and lowest rates from the 2014 rate year. The~~  
28           ~~direct care limit must be ninety-five percent of the average and the indirect care limit~~  
29           ~~must be ninety percent of the average. Beginning with the July 1, 2017, rate year, the~~  
30           ~~department shall adjust the limits by using the cost percentage change from the prior~~  
31           ~~two rate years, within the limits of legislative appropriations~~increase rates and limits

1           three and one-half percent for inflation. For the rate year beginning July 1, 2024, the  
2           department shall increase rates and limits three and one-half percent for inflation.

3           4.   The department shall ~~provide, by rule, within the limits of legislative appropriations, for~~  
4           ~~payment of rates paid by the aged, blind, and disabled persons program for a~~  
5           ~~maximum of thirty days per occurrence for leave days for a resident who is in a~~  
6           ~~licensed health care facility when the resident is expected to return to the~~  
7           ~~facility~~provide a rate increase in the amount of five dollars per day for the period  
8           beginning July 1, 2023, and ending June 30, 2025, after which the increase is not  
9           effective. This rate increase may not be included in any calculation of inflation  
10           increase.

11           5.   Within the limits of legislative appropriations, the department shall establish an  
12           uncompensated care expense of ~~one hundred eighty~~three hundred sixty-five days.

13           **SECTION 37. AMENDMENT.** Section 50-29-04 of the North Dakota Century Code is  
14   amended and reenacted as follows:

15           **50-29-04. Plan requirements.**

16           The plan:

17           1.   Must be consistent with coverage provided to children eligible for medical assistance  
18           in the state; and

19           2.   Must provide:

20           a.   A modified adjusted gross income eligibility limit of ~~one~~two hundred  
21           ~~seventy-five~~ten percent of the poverty line; and

22           b.   Current eligibility may be established from the first day of the month in which the  
23           application was received. Retroactive eligibility may be established for the three  
24           calendar months that immediately preceded the month in which the application  
25           was received even if there is no eligibility in the month of application. Eligibility  
26           can be established if all factors of eligibility are met during each month.

27           **SECTION 38.** Two new subsections to the new section to chapter 54-52.1 of the North  
28   Dakota Century Code as created by section 2 of Senate Bill No. 2140, as approved by the sixty-  
29   eighth legislative assembly, are created and enacted as follows:

30           If application of subsection 3 would result in the ineligibility of a health benefit plan that  
31           is a qualified high-deductible health plan to qualify as a health savings account under

1 section 223 of the Internal Revenue Code [26 U.S.C. 223], the requirements of  
2 subsection 3 do not apply with respect to the deductible of the health benefit plan until  
3 after the enrollee has satisfied the minimum deductible under section 26 U.S.C. 223.  
4

5 This section does not apply to the Medicare part D prescription drug coverage plan.

6 **SECTION 39. REPEAL.** Section 50-06-32.1 of the North Dakota Century Code is repealed.

7 **SECTION 40. BUILDING PROJECT - LEASE.** The department of health and human  
8 services is authorized to enter into agreements with vendors to build two buildings for the  
9 department to lease for the lake region human service center and northwest human service  
10 center for the biennium beginning July 1, 2023, and ending June 30, 2025.

11 **SECTION 41. LEASE OF LAND - STATE HOSPITAL.** The department of health and  
12 human services and national guard may enter an agreement to lease up to twenty acres of real  
13 property associated with the state hospital for the national guard to construct a new training and  
14 storage facility.

15 **SECTION 42. PROVIDER PROCESS AND OUTCOME MEASURES.** Providers that  
16 receive funding from the department of health and human services shall submit process and  
17 outcome measures, as required by the department, to the department for programs and  
18 services supported by state funding during the biennium beginning July 1, 2023, and ending  
19 June 30, 2025, for the department to evaluate the administration of the programs and services  
20 using the appropriation for the program or service.

21 **SECTION 43. HUMAN SERVICE CENTERS - CERTIFIED COMMUNITY BEHAVIORAL**  
22 **HEALTH CLINICS - FULL-TIME EQUIVALENT POSITIONS - REPORT - EXEMPTION.**

- 23 1. The department of health and human services shall select at least one human service  
24 center to begin the process of becoming a certified community behavioral health clinic  
25 to provide continuous community-based behavioral health services for children and  
26 adults. The department shall pursue additional federal funding as available. Subject to  
27 the availability of generated income, the department may add full-time equivalent  
28 positions for field services to provide direct services for the period beginning with the  
29 effective date of this Act and ending June 30, 2025. The department shall report to the  
30 office of management and budget and legislative council each time a position is  
31 added.

- 1        2.    The department may consider the inclusion of providers of integrated, wraparound  
2            crisis services to young adults, who are at risk of being homeless or experiencing  
3            serious adverse life events, into the creation of any certified community behavioral  
4            health clinic.
- 5        3.    The \$15,000,000 from the general fund appropriated to the department of health and  
6            human services for the substance use disorder treatment voucher system in  
7            chapter 12 of the 2021 Session Laws is not subject to the provisions of section  
8            54-44.1-11, and any unexpended funds of up to \$4,150,000 from this appropriation  
9            may be continued and spent for defraying the expenses of additional human service  
10          centers to begin the process of becoming a certified community behavioral health  
11          clinic to provide continuous community-based behavioral health services for children  
12          and adults during the biennium beginning July 1, 2023, and ending June 30, 2025.

13        **SECTION 44. EXEMPTION - UNEXPENDED APPROPRIATIONS.** The following  
14        appropriations are not subject to the provisions of section 54-44.1-11 and may be continued into  
15        the biennium beginning July 1, 2023, and ending June 30, 2025:

- 16        1.    The sum of \$750,000 appropriated from the general fund for suicide prevention grants  
17            in chapter 37 of the 2019 Session Laws;
- 18        2.    The sum of \$1,776,000 appropriated from the strategic investment and improvements  
19            fund and the sum of \$5,328,000 appropriated from federal funds for the Medicaid  
20            management information system technology stack upgrade in chapter 37 of the 2019  
21            Session Laws;
- 22        3.    The sum of \$600,000 appropriated from the general fund and the sum of \$1,800,000  
23            appropriated from federal funds for the Medicaid management information system  
24            technology stack upgrade in chapter 12 of the 2021 Session Laws;
- 25        4.    The sum of \$4,326,686 appropriated from the general fund and the sum of  
26            \$30,673,314 appropriated from federal funds for the Medicaid management  
27            information system modularization technology project in chapter 12 of the 2021  
28            Session Laws;
- 29        5.    Any amounts appropriated to the department of health and human services in  
30            chapter 549 of the 2021 Special Session Session Laws;

- 1       6. Any amounts appropriated to the department of health and human services in
- 2           chapter 550 of the 2021 Special Session Session Laws;
- 3       7. Any amounts appropriated to the department of health and human services for
- 4           COVID-19 relief in chapters 27 and 28 of the 2021 Session Laws;
- 5       8. The amount appropriated for the modification of the department of human services'
- 6           eligibility systems in chapter 578 of the 2011 Special Session Session Laws which was
- 7           continued into the 2013-15 biennium, then the 2015-17 biennium, then the 2017-19
- 8           biennium, then the 2019-21 biennium, and then 2021-23 biennium;
- 9       9. The sum of \$2,000,000 appropriated for substance use disorder voucher system
- 10           grants in chapter 12 of the 2021 Session Laws which may be continued and spent
- 11           pursuant to section 50-06-42.1;
- 12      10. The sum of \$175,000 for home and community-based services housing assistance in
- 13           chapter 12 of the 2021 Session Laws; and
- 14      11. The sum of \$15,000,000 appropriated from the general fund and the sum of
- 15           \$15,000,000 appropriated from federal funds for the child welfare technology project in
- 16           chapter 12 of the 2021 Session Laws.

17       **SECTION 45. EXEMPTION - EARLY CHILDHOOD INFORMATION SYSTEM.** The

18 requirements of chapter 54-44.4 do not apply to the selection of a vendor, the procurement

19 award, or payments made under this section regarding an early childhood workforce and

20 professional development information system or an early childhood resource and referral

21 information system for the biennium beginning July 1, 2023, and ending June 30, 2025.

22       **SECTION 46. EXEMPTION - PURCHASE OF CONSUMABLES.** The requirements of

23 chapter 54-44.4 do not apply to the purchase of consumables at the department of health and

24 human services continuously staffed residential units during low-census time periods for the

25 biennium beginning July 1, 2023, and ending June 30, 2025.

26       **SECTION 47. LEGISLATIVE INTENT - UTILIZATION RATE ADJUSTMENT.** It is the intent

27 of the sixty-eighth legislative assembly that the department of health and human services seeks

28 a deficiency appropriation from the sixty-ninth legislative assembly for any expenditures that

29 exceed appropriated amounts as a result of underfunding, utilization rates, discontinuation of

30 the federal Medicaid continuous enrollment requirement, value-based purchasing for nursing

31 facilities, reduction in federal medical assistance percentage, and unexpected contract cost

1 increases that exceed ten percent, during the biennium beginning July 1, 2023, and ending  
2 June 30, 2025, if funding is not sufficient to pay actual expenses.

3 **SECTION 48. LEGISLATIVE INTENT - PROVIDER RATE INCREASE.** Except as  
4 otherwise noted, section 1 of this Act includes funding for human service provider inflation  
5 increases of three percent for each year of the biennium beginning July 1, 2023, and ending  
6 June 30, 2025. Section 1 of this Act includes funding for developmental disability service  
7 payment inflation increases of two percent each year of the biennium beginning July 1, 2023,  
8 and ending June 30, 2025. The provider inflation increase in this section does not apply to  
9 nursing and basic care facilities or prospective payment system hospitals that have different  
10 inflation rates.

11 **SECTION 49. DEVELOPMENTAL DISABILITY PROVIDER ADJUSTMENT.** Subdivision 2  
12 of section 1 of this Act includes funding for developmental disability provider rate adjustments.  
13 Adjustments must provide for the equivalent of a one dollar per hour increase for direct care  
14 staff and the equivalent of a one dollar per hour increase for indirect program support staff of  
15 licensed developmental disability providers. Developmental disability providers shall provide a  
16 report to the department of health and human services as determined by the department. The  
17 increase to direct care staff and related indirect program support staff does not apply to qualified  
18 service provider rates as established under the long-term care program.

19 **SECTION 50. FEDERAL FUNDING APPEAL LIMITATION.** Except as otherwise  
20 specifically provided by federal law, a person may not appeal a denial, revocation, reduction in  
21 services or payment, or the termination of a program or service by the department of health and  
22 human services due to the unavailability of federal coronavirus funding received under federal  
23 law resulting from the federal coronavirus pandemic emergency declaration for the biennium  
24 beginning July 1, 2023, and ending June 30, 2025.

25 **SECTION 51. LEGISLATIVE MANAGEMENT STUDY - EARLY CHILDHOOD**  
26 **PROGRAMS AND SERVICES.** During the 2023-24 interim, the legislative management shall  
27 consider studying the early child care programs and child care services to identify major needs  
28 and systemic approaches to stabilize child care infrastructure. The legislative management shall  
29 report its findings and recommendations, together with any legislation required to implement the  
30 recommendations, to the sixty-ninth legislative assembly.

1           **SECTION 52. LEGISLATIVE MANAGEMENT STUDY - SOCIAL WORK LICENSURE**

2   **COMPACT.** During the 2023-24 interim, the legislative management shall consider studying the  
3 feasibility and desirability of the legislative assembly enacting the social work licensure  
4 compact. The study may include consideration of whether the public and the social work  
5 community support enactment and whether the North Dakota board of social work examiners  
6 has the capacity to participate in the compact. The legislative management shall report its  
7 findings and recommendations, together with any legislation required to implement the  
8 recommendations, to the sixty-ninth legislative assembly.

9           **SECTION 53. LEGISLATIVE MANAGEMENT STUDY - MEDICAID PROVIDER**

10 **REIMBURSEMENT ARRANGEMENTS.** During the 2023-24 interim, the legislative  
11 management shall study the benefits of basing provider reimbursement rates for the Medicaid  
12 program in accordance with a provider's performance under established and accepted value-  
13 based care metrics. The legislative management shall report its findings and recommendations,  
14 together with any legislation required to implement the recommendations, to the sixty-ninth  
15 legislative assembly.

16           **SECTION 54. LEGISLATIVE MANAGEMENT STUDY - INTERMEDIATE CARE FACILITY**

17 **RATE FORMULA.** During the 2023-24 interim, the legislative management shall consider  
18 studying the payment rates for intermediate care facilities, including options to increase the  
19 rates. The study must consider the funded percentage of costs for services including day and  
20 small group care, individual employment, in-home supports, respite care, habilitative care,  
21 independent habitation, and residential habitation. The legislative management shall report its  
22 findings and recommendations, together with any legislation required to implement the  
23 recommendations, to the sixty-ninth legislative assembly.

24           **SECTION 55. SUPREME COURT STUDY - WELLNESS COURT - REPORT TO**

25 **LEGISLATIVE MANAGEMENT.** During the 2023-24 interim, the supreme court, in consultation  
26 with the department of corrections and rehabilitation, the department of health and human  
27 services, and the attorney general, shall study and identify those provisions of the North Dakota  
28 Century Code which pertain to drug court and assess whether the term wellness court should  
29 be adopted to replace drug court. The supreme court shall report its findings and  
30 recommendations, together with any legislation required to implement the statutory change of  
31 drug court to wellness court, to the legislative management by June 1, 2024.

1       **SECTION 56. LEGISLATIVE MANAGEMENT REPORT - EARLY CHILDHOOD**

2       **PROGRAMS.** During the 2023-24 interim, the department of health and human services shall  
3 provide reports to the legislative management regarding the status of early childhood programs  
4 managed by the department.

5       **SECTION 57. EFFECTIVE DATE.** Section 39 of this Act becomes effective on January 1,  
6 2024; Senate Bill No. 2181, as approved by the sixty-eighth legislative assembly, becomes  
7 effective on October 1, 2023; and section 2 of Senate Bill No. 2276, as approved by the sixty-  
8 eighth legislative assembly, becomes effective on April 1, 2024.

9       **SECTION 58. EMERGENCY.** Section 4 of this Act is declared to be an emergency  
10 measure.