



Senate Bill 2012

Senate Appropriations – Human Resources Subcommittee
Senator Dever, Chairman

LeeAnn Thiel, Medical Services & Nancy Nikolas Maier, Adult and Aging Services
Long Term Care | February 2, 2023

NORTH
Dakota
Be Legendary.

| Health & Human Services

Long Term Care (LTC) ND Century Code Chapters

Chapter	Chapter Name
50-10.2	Rights of Health Care Facility Residents
50-21	Nursing Homes and Basic Care Facilities
50-24.4	Nursing Home Rates
50-06.2	Comprehensive Human Services Programs
50-24.5	Aid to Aged, Blind, and Disabled Persons
50-24.7	Expanded Service Payments to the Aged and Disabled
50-11	Foster Care Homes for Children and Adults
50-30	Nursing Facility Alternative Funding



Long Term Care: What services are covered

- Nursing facility services
- Basic care facility services
- Program of All-Inclusive Care for the Elderly (PACE)
- HCBS services
 - Aged & Disabled Waiver
 - Medicaid State Plan- Personal Care Services (MSP-PC)
 - SPED (Service Payments for the Elderly and Disabled)
 - Ex-SPED (Expanded Service Payments for the Elderly and Disabled)
- Children's waivers services
 - Children's Medically Fragile waiver
 - Children's Hospice waiver
 - Autism waiver

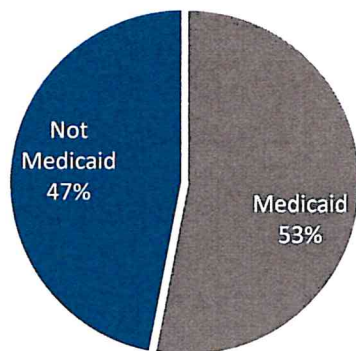


Who We Serve in the LTC Continuum

5,207

Nursing
Facility
licensed beds

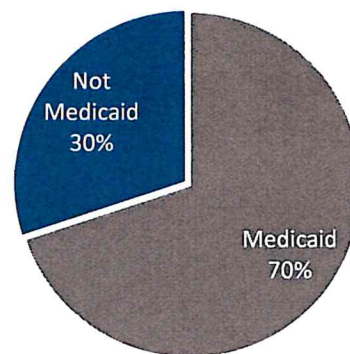
Approximately 53% of Nursing Facility residents have Medicaid coverage



1,339

Basic Care Facility
licensed beds enrolled
with Medicaid

Approximately 70% of Basic Care residents have Medicaid coverage



Long Term Care Walkthrough

	2021-2023 Legislatively Approved Budget	Funding Shift One-Time Funding	Cost to Continue	FMAP	Total Changes	To Governor	Inflation (4/3)	Personal Needs Allowance, HCBS Services	Medically Fragile Waiver	Incr Home Deliv Meals/Incr Autism Waiver/Elim Autism Voucher	Executive Changes	To Chamber 1
Nursing Facilities	616,449,930		113,161,848		113,161,848	729,611,778	-	3,439,800	-	-	3,439,800	733,051,578
Basic Care	50,893,290		6,885,002		6,885,002	57,778,292	-	-	-	-	-	57,778,292
PACE	33,601,989		(5,532,163)		(5,532,163)	28,069,826	-	-	-	-	-	28,069,826
Aged & Disabled Waiver	46,820,167		2,936,921		2,936,921	49,757,088	-	2,093,584	-	-	2,093,584	51,850,672
SPED	20,397,226		(3,938,190)		(3,938,190)	16,459,036	-	6,520,000	-	138,150	6,658,150	23,117,186
Ex-SPED	1,958,865		(702,250)		(702,250)	1,256,615	-	-	-	-	-	1,256,615
Personal Care Services	33,605,508		(1,500,636)		(1,500,636)	32,104,872	-	100,000	-	-	100,000	32,204,872
Targeted Case Mgmt	157,824		742,102		742,102	899,926	-	-	-	-	-	899,926
Children's Med Fragile Wvr	398,028		5,949		5,949	403,977	-	-	392,422	-	392,422	796,399
Children's Hospice Waiver	73,605		0		0	73,605	-	-	-	-	-	73,605
Autism Waiver	1,955,531		81,668		81,668	2,037,199	-	-	-	8,776,756	8,776,756	10,813,955
Autism Voucher	300,000		-		-	300,000	-	-	-	(300,000)	(300,000)	-
Provider Inflation			-		-	-	10,506,185				10,506,185	10,506,185
Total	806,611,963		112,140,250		112,140,250	918,752,213	10,506,185	12,153,384	392,422	8,614,906	31,666,897	950,419,110
General Fund	396,106,321	1,000,000	52,743,861	8,628,268	62,372,128	458,478,449	6,173,513	9,750,819	186,400	4,007,109	20,117,841	478,596,290

LTC Unit and Cost Comparison

12 month Average to Executive Budget Request (EBR) 2023 - 2025 Biennium

Program	12 Month Average in Units (April 2021 - March 2022)	Monthly average units for EBR 2023-2025	Change from EBR to 12 mo Avg units	12 Month Average in Cost per Unit (April 2021 - March 2022)	Monthly average cost per unit for EBR 2023-2025	Change from EBR to 12 mo Avg cost per unit	Monthly average units for first 15 months of 21-23	Monthly average cost per unit for first 15 months of 21-23
NURSING FACILITIES	79,061	79,061	0	\$277.98	\$386.33	\$108.35	79,360	\$292.94
BASIC CARE	45,577	46,177	600	\$48.21	\$52.13	\$3.92	46,160	\$49.50
AGED & DISABLED WAIVER	33,934	49,480	15,546	\$32.64	\$43.66	\$11.02	39,008	\$35.70
PACE PYMT ALL-INCL CARE ELDRLY	171	245	74	\$4,764.25	\$4,773.78	\$9.53	179	\$4,772.75
SPED	60,072	62,076	2,004	\$10.40	\$15.52	\$5.12	64,127	\$10.75
EXPANDED SPED	4,126	4,126	0	\$12.01	\$12.69	\$0.68	4,131	\$12.22
PERSONAL CARE SERVICES	202,497	193,870	(8,627)	\$6.50	\$6.92	\$0.42	204,154	\$6.52
TARGETED CASE MANAGEMENT	1,698	1,699	1	\$17.29	\$22.07	\$4.78	2,344	\$17.88
CHILDREN'S MED FRAGILE WAIVER	61	93	32	\$268.88	\$356.81	\$87.93	61	\$258.12
CHILDREN'S HOSPICE WAIVER	0	1	1	\$0.00	\$3,066.88	\$3,066.88	-	\$0.00
AUTISM VOUCHER	12	0	(12)	\$651.30	\$0.00	(\$651.30)	12	\$657.38
AUTISM WAIVER	1,283	27,746	26,463	\$12.41	\$16.24	\$3.83	903	\$16.09

Included in 2023-25 Executive Budget Request

Increase Personal Needs Allowance for members in nursing facilities, basic care facilities, and intermediate care facilities.

- Would enable members to retain more of their income to use for personal needs such as clothing and recreation.
- All members would receive a \$35 increase per month.

Total	General	Federal
\$3,439,800	\$1,913,100	\$1,526,700



Children's Waiver Services



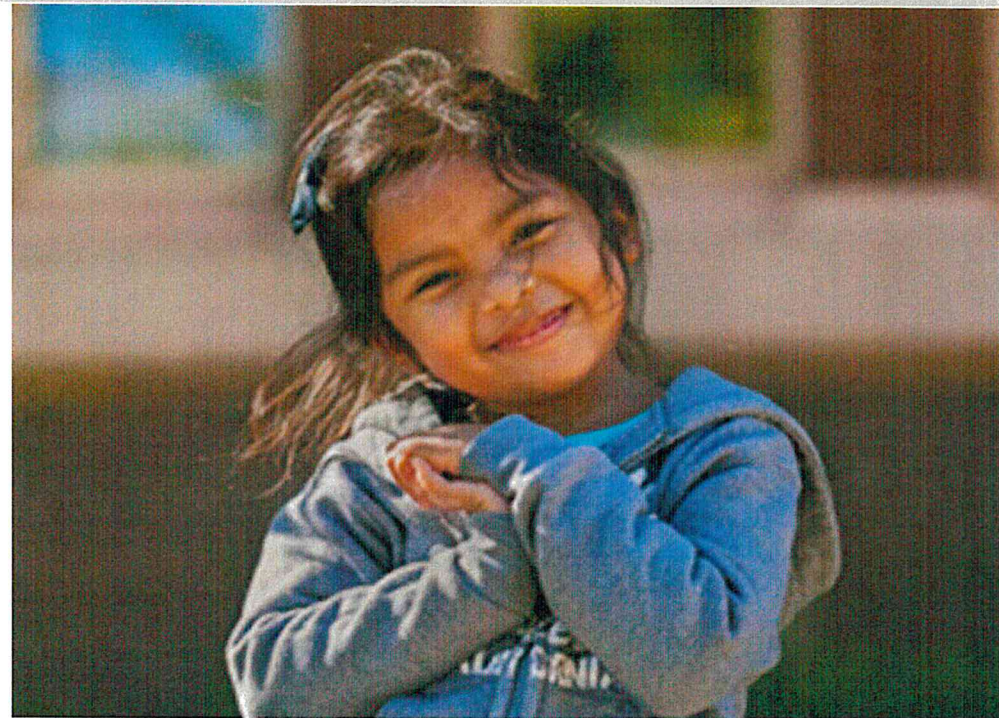
- Medically Fragile waiver
 - Currently 25 slots
 - 15 on wait list
- Children's Hospice waiver
 - 30 slots
 - No wait list
- Autism waiver
 - Currently 150 slots
 - 84 on wait list

Included in 2023-25 Executive Budget Request

Increase benefit level and number of slots for the Medicaid Children's Medically Fragile Waiver

- Currently the annual cap for waiver expenditures per child is \$18,966. This annual cap has not been increased since 2008.
- This request would increase the annual cap to \$25,300.
- This request would also double the number of waiver slots from 25 to 50.

Total	General	Federal
\$392,422	\$186,400	\$206,022



Included in 2023-25 Executive Budget Request

Enhance Medicaid Children's Autism Waiver and sunset Autism Voucher program

- Streamline children's autism services offered through HHS
- Add 195 additional waiver slots to cover the children who had been receiving voucher services as well as to address the waiver wait list
- Waiver would be enhanced with the addition of tutoring as a waiver service
- Increase age limit from 16 years to 18 years (proposed amendment to SB2012)



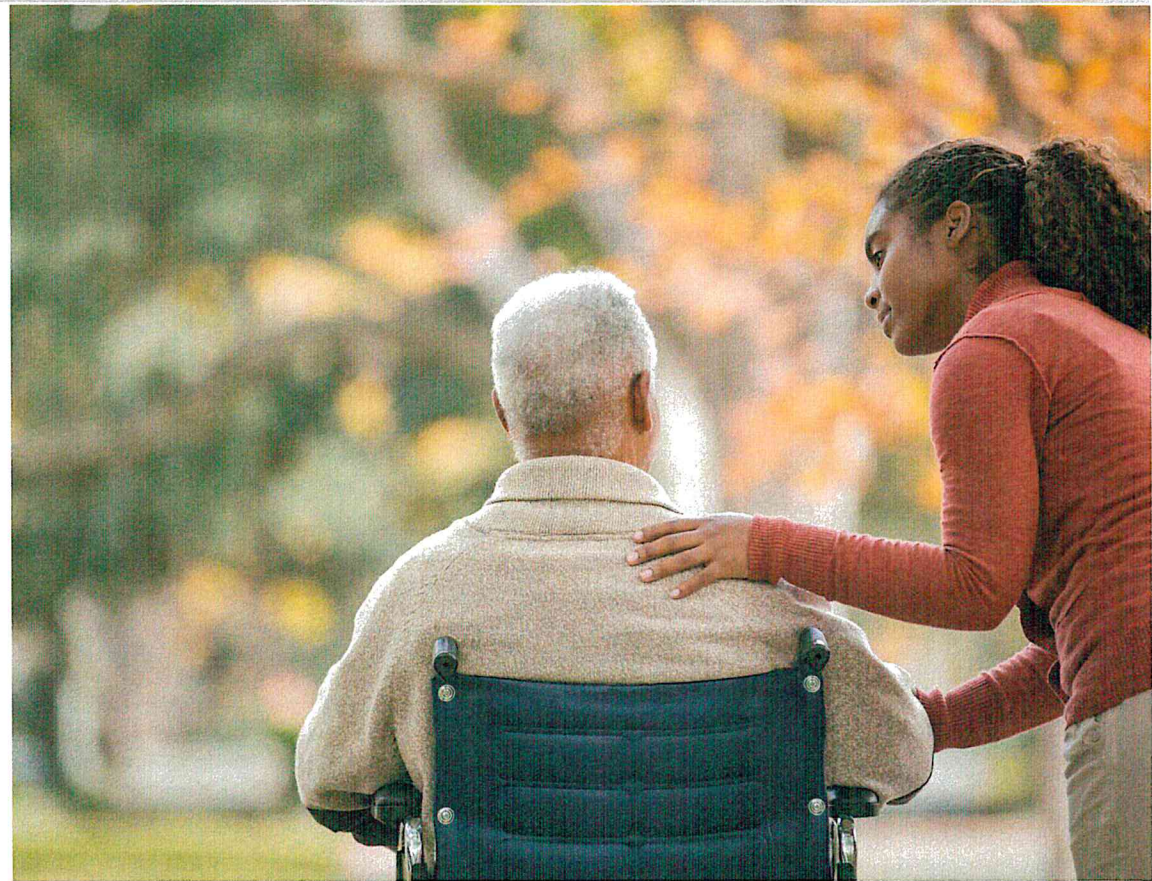
Total	General	Federal
\$8,476,756	\$3,868,959	\$4,607,797

Additional LTC budget request

Funding for nursing facility value-based payment program

Total	General	Federal
\$12,000,000	\$6,000,000	\$6,000,000

- HHS has worked closely with nursing facility stakeholders to design a value-based payment program.
- The item was inadvertently omitted from the executive budget request; it should have been included in the base budget.

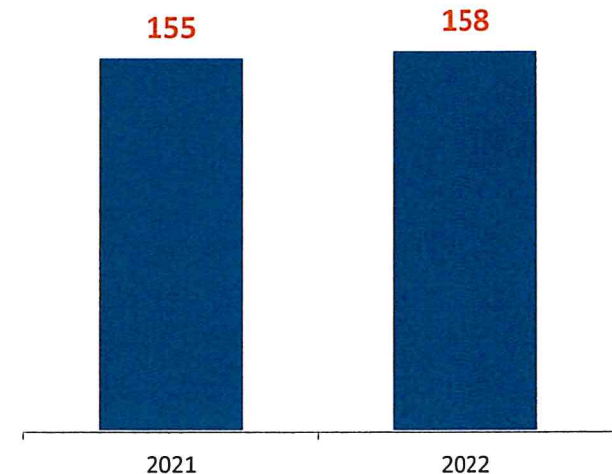


HCBS: Who We Serve in the LTC Continuum

There is a growing demand for Home and Community Based Services.

- The number of referrals sent to case managers has remained consistently high.
- Program changes have increased the ability for providers to care for more people in the least restrictive environment.
- To sustain this growth, we need to strengthen the service delivery system and address workforce challenges.

Average Monthly HCBS Referrals
2021 & 2022



ADULT & AGING SERVICES

Individuals receiving HCBS services (Dec 2022)

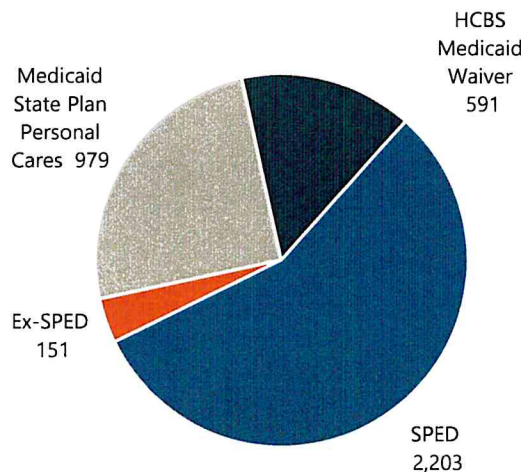
3,158

Number of unduplicated recipients supported by HCBS in CY2022



6% increase since 2021

Individuals Receiving HCBS Dec 2022



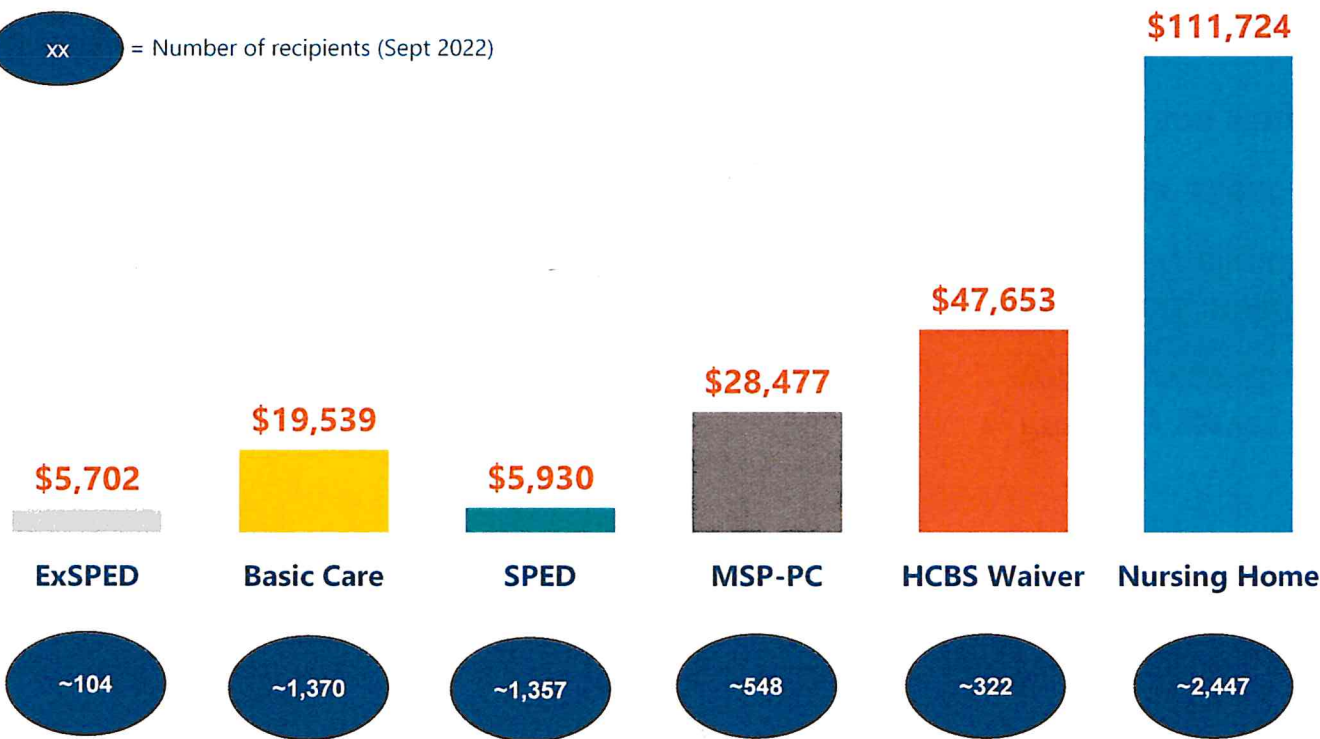
- Primarily serves older adults and individuals with physical disabilities.
- Recipients must be both functionally and financially eligible.
- May have client cost share based on income.
- Federal and state funds.
- Recipients range in age from 15-104 years old.
- Case Management conducted by 66 FTE and supported by 1 billing specialist.

Source: DHS HCBS Caseload Data Nov 2022

Average Annual Cost by Type of Service in LTC Continuum

(Analysis of Sept 2022 claims data)

xx = Number of recipients (Sept 2022)

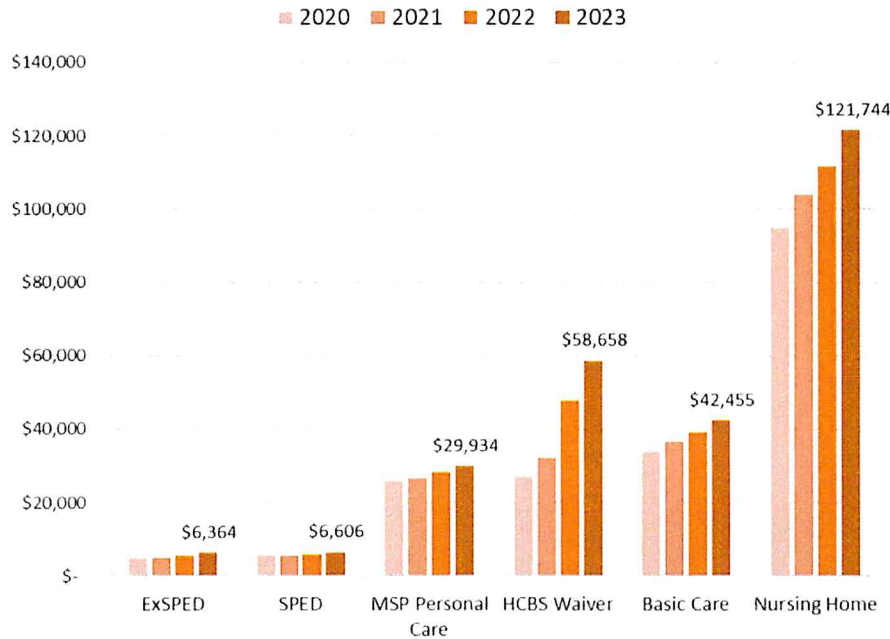


Eligibility criteria evaluate both a person's functional and financial needs.

- Ex-SPED is the in-home alternative to Basic Care
- HCBS waiver and MSP-PC are in-home alternatives to Nursing Homes
- SPED assists people with higher asset levels (up to \$50,000)

LTC Services Comparison – Average annual cost per person 2020-2023

Average cost of care per individual served by type of service in LTC continuum



Average cost per person by type of service by year

	2020	2021	% chg 2020-21	2022	% chg 2021-22	2023	% chg 2022-23
ExSPED	\$ 5,004	\$ 5,071	1%	\$ 5,702	12%	\$ 6,364	12%
SPED	\$ 5,836	\$ 5,767	-1%	\$ 5,930	3%	\$ 6,606	11%
MSP Personal Care	\$ 26,165	\$ 26,591	2%	\$ 28,477	7%	\$ 29,934	5%
HCBS Waiver	\$ 27,231	\$ 32,111	18%	\$ 47,653	48%	\$ 58,658	23%
Basic Care	\$ 34,055	\$ 36,761	8%	\$ 39,249	7%	\$ 42,455	8%
Nursing Home	\$ 95,100	\$ 104,063	9%	\$ 111,724	7%	\$ 121,744	9%

Notes:

Data is based on paid date.

2020-2022 based on actual paid claims; 2023 is projected.

Included in 2023-25 Executive Budget Request

Increase quality of HCBS by reimbursing for QSP Agency on-call staff

- More HCBS recipients are needing 24-hour support to live safely in their home or community.
- US DOJ Settlement Agreement requires that Aging Services staff complete a health and safety plan that identifies back-up QSPs for HCBS recipients.
- Request appropriation to reimburse Agency QSPs to pay for dedicated on-call staff to assist members in the event of an emergency or “no-show” staffing issues.
- Funds would allow QSP agencies to designate and pay on call staff at night, weekends, and on holidays which will increase the safety and quality of HCBS.



Total	General	Federal
\$351,000	\$351,000	\$0

Included in 2023-25 Executive Budget Request

Reimburse one additional HDM per day under HCBS waiver, SPED and Ex-SPED

- Food insecurity and poor nutrition can lead to poor health outcomes and nursing home placement.
- Currently allow reimbursement for one meal per day.
- Two meals per day will help ensure better nutrition for HCBS recipients and reduce the need to find homemaking staff to provide meal preparation.

Total	General	Federal
\$138,150	\$138,150	\$0



Included in 2023-25 Executive Budget Request

Add companionship to SPED and Ex-SPED

- Social Isolation is a driver of poor health outcomes that can lead to nursing home placement.
- Companionship services are currently available in the HCBS Medicaid waiver and under the Older Americans Act for those 60+.
- Individuals under age 60 that don't qualify for the HCBS Medicaid waiver cannot access this service.
- Funding companionship will allow eligible individuals to access up to 15 hours per month of companionship services based on their therapeutic needs.



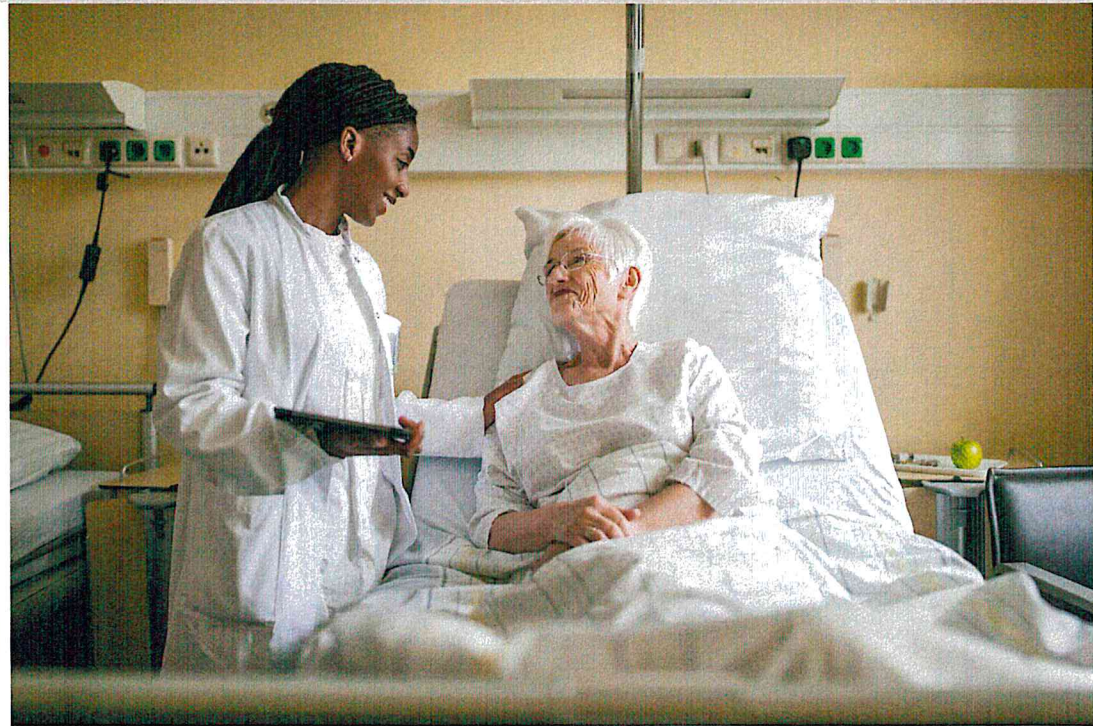
Total	General	Federal
\$280,000	\$280,000	\$0

Included in 2023-25 Executive Budget Request

Allow bed hold days for community support and residential habilitation

- Allow Agency QSPs enrolled to provide this service to bill up to 30 bed hold days per year, per member.
- HCBS Medicaid waiver eligible individuals must meet a nursing facility level of care and may have unstable Medical conditions, so hospitalizations are common.
- Allowing bed hold days would ensure individuals can keep their HCBS provider when hospitalized for short periods or during a rehab stay.

Total	General	Federal
\$182,910	\$86,882	\$96,028



Included in 2023-25 Executive Budget Request

Increase rates for adult foster care and family home care

- Increase the Adult Foster Care rate from up to \$96.18 to \$150.00 per day and the Family Home Care rate from \$48.12 to \$80.00 per day.
- Incentivize 24-hour support opportunities for individuals who need this level of care.
- Increasing these rates will allow more eligible individuals to access a shared living environment that can meet their intermittent care needs.

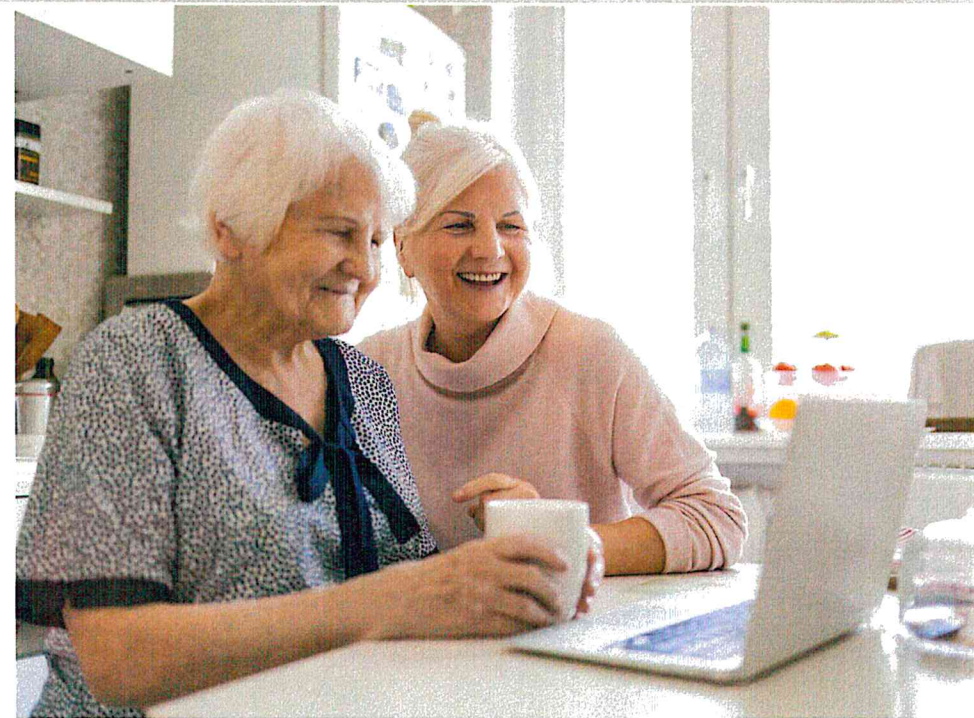
Total	General	Federal
\$7,799,674	\$7,019,837	\$779,837



Included in 2023-25 Executive Budget Request

Base rate for incentive to provide care to individuals with lower-level needs

- Create a higher base rate for the first hour of personal care or homemaker as an incentive for providers to serve individuals who only need a few hours of care each day or each week.
 - For example, individuals who only need help when they get up and when they go to bed.
- Pay time and a half of the regular agency and individual QSP rate
- Some QSPs will not serve individuals unless they are guaranteed a certain number of hours that will cover the expense of staff time and travel to the client.
- Serving people early, when they first start to need help because of age related functional impairments will help people stay healthier and avoid more costly levels of care.



Total	General	Federal
\$100,000	\$100,000	\$0
\$3,953,520	\$2,277,228	\$1,676,292

**Note: This item was included in the Executive Budget Request but at the incorrect dollar amount*

Additional LTC budget request

Offer higher acuity rates for individuals with complex medical or behavioral health needs

Total	General	Federal
\$ 1,999,399	1,614,478	\$385,522

- US DOJ Settlement Agreement required the State to conduct a rate study. Results were received November 2022 after budget was built.
- Recommendations from the study include paying a higher acuity rate to providers willing to serve individuals with complex needs.
- Currently pay the same rate for services regardless of difficult of care factors.
- Higher rates would provide an incentive to serve individuals with higher level need.



Additional LTC budget request

Create a personal care with supervision service in the HCBS waiver

Total	General	Federal
\$ 0	\$12,500,755 – HCBS waiver (\$12,500,755) – MSP-PC	\$13,538,405 - HCBS waiver (\$13,538,405) – MSP-PC

- US DOJ Settlement Agreement required the State to conduct a rate study. Results were received November 2022 (after 2023-25 executive budget was built).
- Recommendations from the study include simplifying the service array to reduce the administrative burden (billing & documentation) for providers.
- This proposal creates a new service (“personal care with supervision”) which would allow existing Medicaid members to move from Medicaid State Plan Personal Care (MSP-PC) to the HCBS waiver.
- Currently personal care and supervision must be billed separately. Creating a personal care with supervision service would combine these two services into one creating an easier way to document and bill for providers.



LTC: Overview of Budget Changes

Description	2021 - 2023 Budget Base	Increase/ (Decrease)	2023 - 2025 Executive Budget
71x Grants, Benefits, & Claims	807,135,162	143,807,148	950,942,310
Total Operating	\$ 807,135,162	\$ 143,807,148	\$ 950,942,310
Total	\$ 807,135,162	\$ 143,807,148	\$ 950,942,310

LTC: Overview of Budget Changes by Funding Source

Description	2021 - 2023 Budget Base	Increase/ (Decrease)	2023 - 2025 Executive Budget
General Fund	\$ 396,629,520	\$ 82,489,970	\$ 479,119,490
Federal Funds	409,193,642	62,317,178	471,510,820
Other Funds	1,312,000	(1,000,000)	312,000
Total Funds	\$ 807,135,162	\$ 143,807,148	\$ 950,942,310

Summary of LTC Items included in Exec Budget Request

	General	Federal	TOTAL
Increase personal needs allowance for members in nursing facilities, basic care facilities, and intermediate care facilities (ICF)	\$3,439,800	\$1,913,100	\$1,526,700
Increase benefit level and number of slots for the Medicaid Children's Medically Fragile waiver	\$186,400	\$206,022	\$392,422
Enhance Medicaid Children's Autism waiver and sunset Autism Voucher program	\$3,868,959	\$4,607,797	\$8,476,756
Increase quality of HCBS by reimbursing for QSP Agency on-call staff	\$351,000	\$0	\$351,000
Reimburse one additional home delivered meal per day under the HCBS waiver, SPED, and Ex-SPED	\$138,150	\$0	\$138,150
Add companionship to SPED and Ex-SPED	\$280,000	\$0	\$280,000
Allow bed hold days for community support and residential habilitation	\$86,882	\$96,028	\$182,910
Increase rates for adult foster care and family home care	\$7,019,837	\$779,837	\$7,799,674
Base rate for incentive to provide care to individuals with lower level needs *	\$100,000	\$0	\$100,000

*Note: This item was included in the Executive Budget Request but at the incorrect dollar amount (see adjustment on additional request summary)

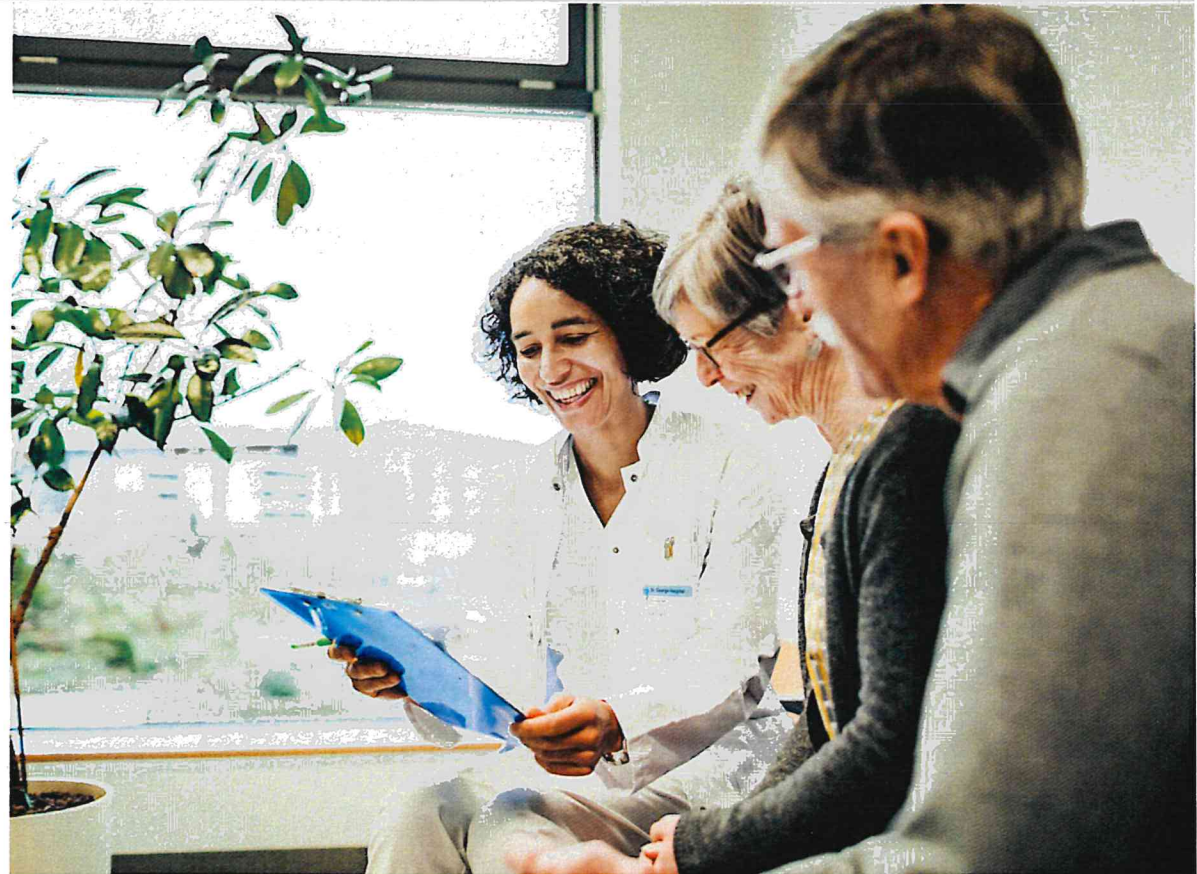
Summary of Additional LTC Budget Requests

	General	Federal	TOTAL
Nursing Facility Value-based payment program	\$6,000,000	\$6,000,000	\$12,000,000
Create a "personal care with supervision" service in the HCBS waiver	\$12,500,755 – HCBS waiver (\$12,500,755) – MSP-PC	\$13,538,405 - HCBS waiver (\$13,538,405) – MSP-PC	\$0
Offer higher acuity rates for individuals with complex medical or behavioral health needs	\$1,614,478	\$385,522	\$1,999,399
Base rate for incentive to provide care to individuals with lower level needs *	\$2,277,228	\$1,676,292	\$3,953,520
TOTAL	\$9,891,706	\$8,061,814	\$17,952,919

*Note: This item was included in the Executive Budget Request but at the incorrect dollar amount (\$100,000); this summary reflects adjusted request.

LTC: Legislative Bills and their potential budget impact

- **HB 1035** – establishes a cross-disability council, reform of DD and children's waivers
- **SB 2276** – allow parents as paid caregivers
- **SB 2283** – Basic care rebasing, 6% / 4% provider inflation, \$10 per day for 2023 & 2024





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