

25.0156.01017  
Title.  
Fiscal No. 1

Prepared by the Legislative Council  
staff for House Appropriations - Human  
Resources Division Committee  
February 25, 2025

Sixty-ninth  
Legislative Assembly  
of North Dakota

## PROPOSED AMENDMENTS TO

### HOUSE BILL NO. 1012

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 amend and reenact sections 50-06-06.6,  
3 50-06-42, 50-24.5-02.3, and 50-33-05 of the North Dakota Century Code, relating to leases of  
4 department of health and human services property, substance use disorder treatment program,  
5 basic care payment rates, and state of residence for child care assistance; to provide for a  
6 transfer; to authorize a line of credit; to provide legislative intent; to provide for a legislative  
7 management study; to provide an application; to provide an exemption; and to provide for a  
8 report; and to provide an effective date.

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

10 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds  
11 as may be necessary, are appropriated out of any moneys in the general fund in the state  
12 treasury, not otherwise appropriated, and from other funds derived from special funds and  
13 federal funds, to the department of health and human services for the purpose of defraying the  
14 expenses of its various divisions, for the biennium beginning July 1, 2025, and ending June 30,  
15 2027, as follows:

16 ~~Subdivision 1.~~

#### BUSINESS OPERATIONS

|    | <u>Base Level</u>  | <u>Enhancements</u> | <u>Appropriation</u> |
|----|--------------------|---------------------|----------------------|
| 17 |                    |                     |                      |
| 18 |                    |                     |                      |
| 19 |                    |                     |                      |
| 20 | Salaries and wages | \$25,763,358        | \$0                  |
|    |                    |                     | \$25,763,358         |

Sixty-ninth  
Legislative Assembly

|    |                                   |                   |                     |                      |
|----|-----------------------------------|-------------------|---------------------|----------------------|
| 1  | Operating expenses                | 155,308,399       | 0                   | 155,308,399          |
| 2  | Capital assets                    | 108,934           | 0                   | 108,934              |
| 3  | Grants                            | 11,812,627        | 0                   | 11,812,627           |
| 4  | Total all funds                   | 192,993,318       | 0                   | 192,993,318          |
| 5  | Less other funds                  | 118,894,310       | 0                   | 118,894,310          |
| 6  | Total general fund                | \$74,099,008      | \$0                 | \$74,099,008         |
| 7  | — Subdivision 2:                  |                   |                     |                      |
| 8  | BEHAVIORAL HEALTH                 |                   |                     |                      |
| 9  |                                   |                   | Adjustments or      |                      |
| 10 |                                   | <u>Base Level</u> | <u>Enhancements</u> | <u>Appropriation</u> |
| 11 | Salaries and wages                | \$8,792,675       | \$0                 | \$8,792,675          |
| 12 | Operating expenses                | 79,381,458        | 0                   | 79,381,458           |
| 13 | Grants                            | 40,476,298        | 0                   | 40,476,298           |
| 14 | Behavioral health clinics         | 196,383,945       | 0                   | 196,383,945          |
| 15 | State hospital                    | 94,826,973        | 0                   | 94,826,973           |
| 16 | Opioid addiction prevention       | 2,000,000         | 0                   | 2,000,000            |
| 17 | Total all funds                   | 421,861,349       | 0                   | 421,861,349          |
| 18 | Less other funds                  | 113,955,941       | 0                   | 113,955,941          |
| 19 | Total general fund                | \$307,905,408     | 0                   | \$307,905,408        |
| 20 | — Subdivision 3:                  |                   |                     |                      |
| 21 | HUMAN SERVICES                    |                   |                     |                      |
| 22 |                                   |                   | Adjustments or      |                      |
| 23 |                                   | <u>Base Level</u> | <u>Enhancements</u> | <u>Appropriation</u> |
| 24 | Salaries and wages                | \$168,325,918     | \$0                 | \$168,325,918        |
| 25 | Operating expenses                | 88,885,469        | 0                   | 88,885,469           |
| 26 | Capital assets                    | 10,000            | 0                   | 10,000               |
| 27 | Grants                            | 621,189,007       | 0                   | 621,189,007          |
| 28 | Life skills and transition center | 44,992,263        | 0                   | 44,992,263           |
| 29 | Grants - medical assistance       | 742,793,564       | 0                   | 742,793,564          |
| 30 | County social services            | 197,663,661       | 0                   | 197,663,661          |
| 31 | Total all funds                   | 1,863,859,882     | 0                   | 1,863,859,882        |

Sixty-ninth  
Legislative Assembly

|    |                              |                      |                     |                      |
|----|------------------------------|----------------------|---------------------|----------------------|
| 1  | Less other funds             | <u>1,240,409,529</u> | <u>0</u>            | <u>1,240,409,529</u> |
| 2  | Total general fund           | <u>\$623,450,353</u> | <u>0</u>            | <u>\$623,450,353</u> |
| 3  | Subdivision 4:               |                      |                     |                      |
| 4  | MEDICAL SERVICES             |                      |                     |                      |
| 5  |                              |                      | Adjustments or      |                      |
| 6  |                              | <u>Base Level</u>    | <u>Enhancements</u> | <u>Appropriation</u> |
| 7  | Salaries and wages           | <u>\$21,008,344</u>  | <u>\$0</u>          | <u>\$21,008,344</u>  |
| 8  | Operating expenses           | <u>70,807,977</u>    | <u>0</u>            | <u>70,807,977</u>    |
| 9  | Grants                       | <u>1,651,004</u>     | <u>0</u>            | <u>1,651,004</u>     |
| 10 | Grants—medical assistance    | <u>2,682,778,803</u> | <u>0</u>            | <u>2,682,778,803</u> |
| 11 | Total all funds              | <u>2,776,246,128</u> | <u>0</u>            | <u>2,776,246,128</u> |
| 12 | Less other funds             | <u>1,818,029,530</u> | <u>0</u>            | <u>1,818,029,530</u> |
| 13 | Total general fund           | <u>\$958,216,598</u> | <u>0</u>            | <u>\$958,216,598</u> |
| 14 | Subdivision 5:               |                      |                     |                      |
| 15 | PUBLIC HEALTH                |                      |                     |                      |
| 16 |                              |                      | Adjustments or      |                      |
| 17 |                              | <u>Base Level</u>    | <u>Enhancements</u> | <u>Appropriation</u> |
| 18 | Salaries and wages           | <u>\$60,415,388</u>  | <u>\$0</u>          | <u>\$60,415,388</u>  |
| 19 | Operating expenses           | <u>37,721,213</u>    | <u>0</u>            | <u>37,721,213</u>    |
| 20 | Capital assets               | <u>1,469,780</u>     | <u>0</u>            | <u>1,469,780</u>     |
| 21 | Grants                       | <u>81,718,145</u>    | <u>0</u>            | <u>81,718,145</u>    |
| 22 | Tobacco prevention           | <u>13,063,162</u>    | <u>0</u>            | <u>13,063,162</u>    |
| 23 | Women, infants, and children | <u>19,900,000</u>    | <u>0</u>            | <u>19,900,000</u>    |
| 24 | —food payments               |                      |                     |                      |
| 25 | Cares Act/COVID-19           | <u>83,909,182</u>    | <u>0</u>            | <u>83,909,182</u>    |
| 26 | Total all funds              | <u>\$298,196,870</u> | <u>0</u>            | <u>298,196,870</u>   |
| 27 | Less other funds             | <u>250,440,690</u>   | <u>0</u>            | <u>250,440,690</u>   |
| 28 | Total general fund           | <u>\$47,756,180</u>  | <u>\$0</u>          | <u>\$47,756,180</u>  |
| 29 | TOTAL—SECTION 1              |                      |                     |                      |
| 30 |                              |                      | Adjustments or      |                      |
| 31 |                              | <u>Base Level</u>    | <u>Enhancements</u> | <u>Appropriation</u> |

Sixty-ninth  
Legislative Assembly

|    |                                       |                 |                |                 |
|----|---------------------------------------|-----------------|----------------|-----------------|
| 1  | Grand total all funds                 | \$5,553,157,547 | \$0            | \$5,553,157,547 |
| 2  | Grand total other funds               | 3,541,730,000   | 0              | 3,541,730,000   |
| 3  | Grand total general fund              | \$2,011,427,547 | \$0            | \$2,011,427,547 |
| 4  | Full-time equivalent positions        | 2,483.83        | 0.00           | 2,483.83        |
| 5  | <u>Subdivision 1.</u>                 |                 |                |                 |
| 6  | <u>SALARIES AND WAGES BLOCK GRANT</u> |                 |                |                 |
| 7  |                                       |                 | Adjustments or |                 |
| 8  |                                       | Base Level      | Enhancements   | Appropriation   |
| 9  | Salaries and wages block grant        | \$0             | \$596,284,775  | \$596,284,775   |
| 10 | Total all funds                       | 0               | 596,284,775    | 596,284,775     |
| 11 | Less other funds                      | 0               | 286,720,150    | 286,720,150     |
| 12 | Total general fund                    | \$0             | \$309,564,625  | \$309,564,625   |
| 13 | <u>Subdivision 2.</u>                 |                 |                |                 |
| 14 | <u>BUSINESS OPERATIONS</u>            |                 |                |                 |
| 15 |                                       |                 | Adjustments or |                 |
| 16 |                                       | Base Level      | Enhancements   | Appropriation   |
| 17 | Salaries and wages                    | \$25,763,358    | (\$25,763,358) | \$0             |
| 18 | Operating expenses                    | 155,308,399     | (77,023,770)   | 78,284,629      |
| 19 | Capital assets                        | 108,934         | (108,934)      | 0               |
| 20 | Grants                                | 11,812,627      | 6,966,375      | 18,779,002      |
| 21 | Total all funds                       | \$192,993,318   | (\$95,929,687) | \$97,063,631    |
| 22 | Less other funds                      | 118,894,310     | (71,526,221)   | 47,368,089      |
| 23 | Total general fund                    | \$74,099,008    | (\$24,403,466) | \$49,695,542    |
| 24 | <u>Subdivision 3.</u>                 |                 |                |                 |
| 25 | <u>BEHAVIORAL HEALTH</u>              |                 |                |                 |
| 26 |                                       |                 | Adjustments or |                 |
| 27 |                                       | Base Level      | Enhancements   | Appropriation   |
| 28 | Salaries and wages                    | \$8,792,675     | (\$8,792,675)  | \$0             |
| 29 | Operating expenses                    | 79,381,458      | 23,888,138     | 103,269,596     |
| 30 | Grants                                | 40,476,298      | 21,889,322     | 62,365,620      |
| 31 | Behavioral health clinics             | 196,383,945     | (139,978,713)  | 56,405,232      |

Sixty-ninth  
Legislative Assembly

|    |                                   |                   |                       |                      |
|----|-----------------------------------|-------------------|-----------------------|----------------------|
| 1  | State hospital                    | 94,826,973        | 256,053,182           | 350,880,155          |
| 2  | Opioid addiction prevention       | 2,000,000         | 6,000,000             | 8,000,000            |
| 3  | Total all funds                   | \$421,861,349     | \$159,059,254         | \$580,920,603        |
| 4  | Less other funds                  | 113,955,941       | 285,267,537           | 399,223,478          |
| 5  | Total general fund                | \$307,905,408     | (\$126,208,283)       | \$181,697,125        |
| 6  | <u>Subdivision 4.</u>             |                   |                       |                      |
| 7  | <u>HUMAN SERVICES</u>             |                   |                       |                      |
| 8  |                                   |                   | <u>Adjustments or</u> |                      |
| 9  |                                   | <u>Base Level</u> | <u>Enhancements</u>   | <u>Appropriation</u> |
| 10 | Salaries and wages                | \$168,325,918     | (\$168,325,918)       | \$0                  |
| 11 | Operating expenses                | 88,885,469        | 108,258,236           | 197,143,705          |
| 12 | Capital assets                    | 10,000            | 0                     | 10,000               |
| 13 | Grants                            | 621,189,007       | 94,393,260            | 715,582,267          |
| 14 | Life skills and transition center | 44,992,263        | (29,784,605)          | 15,207,658           |
| 15 | Grants - medical assistance       | 742,793,564       | 7,655,079             | 750,448,643          |
| 16 | County social services            | 197,663,661       | 6,928,621             | 204,592,282          |
| 17 | Total all funds                   | \$1,863,859,882   | \$19,124,673          | \$1,882,984,555      |
| 18 | Less other funds                  | 1,240,409,529     | (13,961,485)          | 1,226,448,044        |
| 19 | Total general fund                | \$623,450,353     | \$33,086,158          | \$656,536,511        |
| 20 | <u>Subdivision 5.</u>             |                   |                       |                      |
| 21 | <u>MEDICAL SERVICES</u>           |                   |                       |                      |
| 22 |                                   |                   | <u>Adjustments or</u> |                      |
| 23 |                                   | <u>Base Level</u> | <u>Enhancements</u>   | <u>Appropriation</u> |
| 24 | Salaries and wages                | \$21,008,344      | (\$21,008,344)        | \$0                  |
| 25 | Operating expenses                | 70,807,977        | 92,364,562            | 163,172,539          |
| 26 | Grants                            | 1,651,004         | 1,806,800             | 3,457,804            |
| 27 | Grants - medical assistance       | 2,682,778,803     | 6,500,467             | 2,689,279,270        |
| 28 | Total all funds                   | \$2,776,246,128   | \$79,663,485          | \$2,855,909,613      |
| 29 | Less other funds                  | 1,818,029,530     | (7,372,459)           | 1,810,657,071        |
| 30 | Total general fund                | \$958,216,598     | \$87,035,944          | \$1,045,252,542      |
| 31 | <u>Subdivision 6.</u>             |                   |                       |                      |

| <u>PUBLIC HEALTH</u>         |                   |                       |                      |
|------------------------------|-------------------|-----------------------|----------------------|
|                              |                   | <u>Adjustments or</u> |                      |
|                              | <u>Base Level</u> | <u>Enhancements</u>   | <u>Appropriation</u> |
| Salaries and wages           | \$60,415,388      | (\$60,415,388)        | \$0                  |
| Operating expenses           | 37,721,213        | 17,853,669            | 55,574,882           |
| Capital assets               | 1,469,780         | 2,215,838             | 3,685,618            |
| Grants                       | 81,718,145        | 4,245,496             | 85,963,641           |
| Tobacco prevention           | 13,063,162        | (22,607)              | 13,040,555           |
| Women, infants, and children | 19,900,000        | 1,100,000             | 21,000,000           |
| food payments                |                   |                       |                      |
| Cares Act/COVID-19           | 83,909,182        | 1,845,373             | 85,754,555           |
| Total all funds              | \$298,196,870     | (\$33,177,619)        | \$265,019,251        |
| Less other funds             | 250,440,690       | (20,626,287)          | 229,814,403          |
| Total general fund           | \$47,756,180      | (\$12,551,332)        | \$35,204,848         |

Subdivision 7.

| <u>TOTAL - SECTION 1</u>       |                   |                       |                      |
|--------------------------------|-------------------|-----------------------|----------------------|
|                                |                   | <u>Adjustments or</u> |                      |
|                                | <u>Base Level</u> | <u>Enhancements</u>   | <u>Appropriation</u> |
| Grand total all funds          | \$5,553,157,547   | \$725,024,881         | \$6,278,182,428      |
| Grand total other funds        | 3,541,730,000     | 458,501,235           | 4,000,231,235        |
| Grand total general fund       | \$2,011,427,547   | \$266,523,646         | \$2,277,951,193      |
| Full-time equivalent positions | 2,483.83          | 204.52                | 2,688.35             |

**SECTION 2. ONE TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SEVENTIETH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items included in section 1 of this Act which are not included in the entity's base budget for the 2027-29 biennium and which the entity shall report to the appropriations committees of the seventieth legislative assembly regarding the use of this funding:

| <u>One-Time Funding Description</u>                                  | <u>General Fund</u> | <u>Other Funds</u> | <u>Total</u> |
|--|---------------------|--------------------|--------------|
| Technology projects  | \$0                 | \$10,263,000       | \$10,263,000 |
| Human service centers and life skills and transition center projects | 0                   | 1,052,480          | 1,052,480    |

Sixty-ninth  
Legislative Assembly

|    |  |              |               |               |
|----|--|--------------|---------------|---------------|
| 1  | Retire mainframe                       | 0            | 15,000,000    | 15,000,000    |
| 2  | Child care programs                    | 13,272,500   | 0             | 13,272,500    |
| 3  | Housing programs                       | 0            | 1,000,000     | 1,000,000     |
| 4  | State laboratory move and equipment    | 0            | 2,962,304     | 2,962,304     |
| 5  | Partial hospitalization day treatment  | 0            | 2,000,000     | 2,000,000     |
| 6  | Developmental disabilities eligibility | 200,000      | 200,000       | 400,000       |
| 7  | assessment tool for kids               |              |               |               |
| 8  | Toxicology equipment                   | 151,500      | 100,000       | 251,500       |
| 9  | New state hospital                     | 0            | 330,000,000   | 330,000,000   |
| 10 | Behavioral health facility grant       | 0            | 12,960,000    | 12,960,000    |
| 11 | Cultural community center grant        | 0            | 1,000,000     | 1,000,000     |
| 12 | Adaptive recreation grant              | 200,000      | 0             | 200,000       |
| 13 | Intermediate care facility grant       | 3,457,736    | 0             | 3,457,736     |
| 14 | Juvenile justice program               | 750,000      | 0             | 750,000       |
| 15 | Animal shelter grant                   | 0            | 300,000       | 300,000       |
| 16 | Statewide health strategies            | 0            | 750,000       | 750,000       |
| 17 | Critical access hospital networking    | 0            | 2,000,000     | 2,000,000     |
| 18 | Total                                  | \$18,031,736 | \$379,587,784 | \$397,619,520 |

**SECTION 3. FUNDING TRANSFERS - EXEMPTION - AUTHORIZATION - REPORT.**

Notwithstanding section 54-16-04, the director of the office of management and budget shall transfer appropriation authority between line items within subdivisions 1, 2, 3, 4, ~~and 5~~, and 6 of section 1 of this Act and any other appropriation authority for the department of health and human services approved by the sixty-ninth legislative assembly, for the biennium beginning July 1, 2025, and ending June 30, 2027, as requested by the department of health and human services. The department of health and human services shall notify the legislative council of any transfer made pursuant to this section. The department of health and human services shall report to the budget section after June 30, 2026, any transfer made in excess of \$50,000 and to the appropriations committees of the seventieth legislative assembly regarding any transfers made pursuant to this section.

**SECTION 4. FULL-TIME EQUIVALENT POSITION BLOCK GRANT PROGRAM - REPORT.** Section 1 of this Act includes funding for a full-time equivalent position block grant

1 program. This funding as approved by the sixty-ninth legislative assembly is available for  
2 defraying the expense of full-time equivalent positions as determined by the department of  
3 health and human services. Notwithstanding any other provision of law, the department is  
4 authorized to increase or decrease authorized full-time equivalent positions subject to the  
5 availability of funds and the provisions of this section. The department of health and human  
6 services may not increase full-time equivalent positions for the purpose of transferring human  
7 service zone employees to state employment. Pursuant to section 3 of this Act, the department  
8 is authorized to transfer appropriation authority of up to the underfunded amount of \$30,000,000  
9 to the salaries and wages block grant line item. The department of health and human services  
10 shall report to the office of management and budget and legislative council any adjustments to  
11 full-time equivalent positions.

12 **SECTION 5. DEPARTMENT OF HEALTH AND HUMAN SERVICES - SALARIES AND**  
13 **WAGES BLOCK GRANT - VACANT POSITIONS - REPORT.** The department of health and  
14 human services shall report to the budget section quarterly during the 2025-26 interim regarding  
15 the status of its salaries and wages block grant and vacant positions and employee turnover.  
16 The report must include:

- 17 1. The legislative appropriation for salaries and wages allocated by the department to  
18 major department programs by funding source and the number of FTE positions the  
19 department is allocating to each major program based on the legislative appropriation;
- 20 2. Any changes to salaries and wages funding or FTE positions allocated to major  
21 department programs;
- 22 3. Any new FTE positions added, the cost of the position for the remainder of the  
23 biennium, and the cost to continue funding the position in the subsequent biennium by  
24 funding source;
- 25 4. Any FTE positions removed and related funding;
- 26 5. The number of FTE positions that become vacant and the number filled each month;
- 27 6. The number of vacant FTE positions at the end of each month;
- 28 7. Salaries and wages savings resulting from vacant positions and employee turnover  
29 each month by funding source; and
- 30 8. The use of salaries and wages savings for other purposes for each month by funding  
31 source.



1       **SECTION 6. BEHAVIORAL HEALTH FACILITY GRANT - STRATEGIC INVESTMENT**  
2 **AND IMPROVEMENTS FUND - APPLICATION.**

- 3       1. Section 1 of this Act includes the sum of \$12,960,000 from the strategic investment  
4           and improvements fund for a behavioral health facility grant pursuant to this section.
- 5       2. A grant of \$12,960,000 must be provided to establish a behavioral health facility in the  
6           northeast human service region. The grant recipient must provide matching funds of  
7           \$3,240,000 to establish the facility.
- 8       3. The department shall require an entity receiving funding under this section to operate  
9           the facility for at least ten years and require the grant amount to be repaid if the entity  
10          does not operate the facility for at least ten years.
- 11      4. The requirements of chapter 54-44.4 do not apply to the selection of a grant recipient,  
12          the grant award, or payments made under this section.

13       **SECTION 7. COMMUNITY CULTURAL CENTER GRANT - STRATEGIC INVESTMENT**  
14 **AND IMPROVEMENTS FUND - APPLICATION.**

15       Section 1 of this Act includes the sum of  
16       \$1,000,000 from the strategic investment and improvements fund for the purpose of providing a  
17       one-time community cultural center grant in the west central human service region. An entity  
18       may apply for a grant under this section if the entity certifies to the department it has secured at  
19       least fifty percent of funds needed to complete the project, the project will be completed within  
20       two years of receiving the grant funds, and the grants funds will be used only for costs of  
21       constructing a community cultural center. The requirements of chapter 54-44.4 do not apply to  
22       the selection of a grant recipient, the grant award, or payments made under this section.

23       **SECTION 8. JUVENILE JUSTICE DIVERSION SERVICES AND PROGRAMS - TASK**  
24 **FORCE - REPORT.**

25       Section 1 of this Act includes the sum of \$750,000 from the general fund for  
26       juvenile justice diversion services and programs. The department of health and human services  
27       must provide the funding to a statewide regional education association for services to youth at  
28       risk of juvenile justice involvement but who have not committed delinquent acts as defined in  
29       chapter 27-20.4.

30       The department shall establish a task force with representation from divisions in the  
      department, human service zones, the department of public instruction, elementary and  
      secondary schools, and members of the legislative assembly, to review juvenile justice diversion

1 services and program. The department shall report its findings and recommendations to the  
2 legislative management and children's cabinet.

3 **SECTION 9. ANIMAL SHELTER GRANT - COMMUNITY HEALTH TRUST FUND.**

4 Section 1 of this Act includes the sum of \$300,000 from the community health trust fund for a  
5 grant for the construction of an animal shelter. The department of health and human services  
6 may award a grant for the construction of an animal shelter to an organization that provides  
7 twenty dollars of nonstate matching funds for every dollar of grant funds received. The  
8 requirements of chapter 54-44.4 do not apply to the selection of a grant recipient, the grant  
9 award, or payments made under this section.

10 **SECTION 10. STATEWIDE HEALTH STRATEGIES - COMMUNITY HEALTH TRUST**

11 **FUND.** Section 1 of this Act includes the sum of \$750,000 of one-time funding from the  
12 community health trust fund for the statewide health strategies initiative. The department of  
13 health and human services may spend the funding upon securing dollar-for-dollar matching  
14 funds.

15 **SECTION 11. OTHER FUNDS - INSURANCE TAX DISTRIBUTION FUND.** The other funds  
16 line item in subdivision 5 of section 1 of this Act includes the sum of \$1,125,000 from the  
17 insurance tax distribution fund for rural emergency medical services grants.

18 **SECTION 12. OTHER FUNDS - COMMUNITY HEALTH TRUST FUND.** The other funds  
19 line items in section 1 of this Act includes the sum of \$38,713,522 from the community health  
20 trust fund for the following purposes:

|   |            |
|---|------------|
| 21 Loan repayment programs  | \$594,500  |
| 22 Tobacco and vaping programs                                    | 11,599,698 |
| 23 Cancer and women's way programs                                | 909,824    |
| 24 Behavior risk state survey                                     | 200,000    |
| 25 Domestic violence programs                                     | 4,250,000  |
| 26 Local public health grants                                     | 3,275,000  |
| 27 988 crisis hotline   | 1,867,500  |
| 28 Various information technology system upgrades                 | 2,967,000  |
| 29 Grants to rural ambulances                                     | 7,000,000  |
| 30 Law enforcement rural crisis support program                   | 1,000,000  |
| 31 Development of partial hospitalization/intensive day treatment | 2,000,000  |

Sixty-ninth  
Legislative Assembly

|   |                                     |                |
|---|-------------------------------------|----------------|
| 1 | Critical access hospital networking | 2,000,000      |
| 2 | Animal shelter grant                | 300,000        |
| 3 | Statewide health strategies         | <u>750,000</u> |
| 4 | Total                               | \$38,713,522   |

5        **SECTION 7. OTHER FUNDS – COMMUNITY HEALTH TRUST FUND.** The other funds line  
6 item in subdivision 2 of section 1 of this Act includes the sum of \$1,867,500 from the community  
7 health trust fund for the 988 crisis hotline program and subdivision 5 of section 1 of this Act  
8 includes the sum of \$27,072,324 from the community health trust fund for the following  
9 programs:

|    |  |                  |
|----|--|------------------|
| 10 | Behavioral risk factor survey                                      | \$200,000        |
| 11 | Behavioral health loan repayment                                   | 234,500          |
| 12 | Domestic violence offender treatment                               | 1,000,000        |
| 13 | Domestic violence prevention                                       | 1,000,000        |
| 14 | Women's way  | 329,500          |
| 15 | Dentist's loan repayment   | 360,000          |
| 16 | Local public health state aid                                      | 3,275,000        |
| 17 | Rural emergency medical and ambulance services grants              | 7,000,000        |
| 18 | Cancer programs  | 580,324          |
| 19 | Forensic examiner contract   | 1,000,000        |
| 20 | Tobacco cessation grants   | 500,000          |
| 21 | Youth vaping prevention grants                                     | 300,000          |
| 22 | Tobacco prevention and control                                     | 5,043,000        |
| 23 | Tobacco prevention and control grants to local public health units | <u>6,250,000</u> |
| 24 | Total community health trust fund                                  | \$27,072,324     |

25        **SECTION 13. OTHER FUNDS - HUMAN SERVICE FINANCE FUND.** The other funds line  
26 item ~~items~~ in subdivision 3 of section 1 of this Act includes the sum of  
27 ~~\$226,950,000~~ \$239,112,030 from the human service finance fund for state-paid economic  
28 assistance and social and human services.

29        **SECTION 9. OTHER FUNDS – HEALTH CARE TRUST FUND.** The other funds line item in  
30 subdivision 4 of section 1 of this Act includes the sum of \$500,000 from the health care trust  
31 fund for basic care facility bad debt expense.

1 ~~SECTION 10. OTHER FUNDS - CHARITABLE GAMING OPERATING FUND.~~ The other  
2 funds line item in subdivision 2 of section 1 of this Act includes the sum of \$500,000 from the  
3 charitable gaming operating fund for costs of gambling disorder prevention services.

4 **SECTION 14. OTHER FUNDS - OPIOID SETTLEMENT FUND.** The other funds line item in  
5 subdivision 2 of section 1 of this Act includes the sum of \$8,000,000 from the opioid settlement  
6 fund for opioid remediation and abatement efforts.

7 **SECTION 15. OTHER FUNDS - STRATEGIC INVESTMENT AND IMPROVEMENTS**

8 **FUND** The other funds line items in section 1 of this Act includes the sum of \$227,474,784 from  
9 the strategic investment and improvements fund for the following purposes:

|  |                  |
|--|------------------|
| 10 Retiring technology from the mainframe  | \$7,500,000      |
| 11 Move into the new state laboratory and purchase security equipment              | 2,962,304        |
| 12 Capital projects in human service centers and life skills and transition center | 1,052,480        |
| 13 Housing initiative programs   | 1,000,000        |
| 14 Technology projects at the state hospital                                       | 1,000,000        |
| 15 New state hospital  | 200,000,000      |
| 16 Behavioral health facility grant  | 12,960,000       |
| 17 Community cultural center grant   | <u>1,000,000</u> |
| 18 Total   | \$227,474,784    |

19 **SECTION 16. OTHER FUNDS - BANK OF NORTH DAKOTA LINE OF CREDIT - STATE**

20 **HOSPITAL PROJECT.** The other funds line item in subdivision 2 of section 1 of this Act  
21 includes \$130,000,000 from a Bank of North Dakota line of credit. The department of health and  
22 human services may borrow up to \$130,000,000 through a line of credit from the Bank of North  
23 Dakota during the biennium beginning July 1, 2025, and ending June 30, 2027, for costs  
24 associated with the construction of a new state hospital. The interest rate on the line of credit  
25 may not exceed the prevailing interest rate charged to North Dakota governmental entities. If  
26 the department accesses the line of credit, it shall request a deficiency appropriation from the  
27 seventieth legislative assembly to repay the line of credit.

28 **SECTION 17. LABORATORY BUILDING STEERING COMMITTEE.** The department of  
29 health and human services shall maintain the laboratory building steering committee to oversee  
30 the design and construction of the laboratory building project, for the biennium beginning July 1,  
31 2025, and ending June 30, 2027, or until work is completed, whichever occurs earlier. The

1 committee must include representation from the department of health and human services,  
2 department of environmental quality, office of management and budget, the governor's office,  
3 and the legislative assembly. The legislative assembly representation must include one member  
4 of the senate appointed by the senate majority leader, one member of the house appointed by  
5 the house majority leader, and one member of the minority party from either the senate or the  
6 house appointed by the minority leaders of the senate and the house.

7 **SECTION 18. NEW STATE HOSPITAL - STEERING COMMITTEE.** The department of  
8 health and human services shall establish a new state hospital facility steering committee to  
9 oversee the design and construction of a new state hospital facility, for the biennium beginning  
10 July 1, 2025, and ending June 30, 2027. The committee must include one member of the  
11 senate appointed by the senate majority leader, one member of the house appointed by the  
12 house majority leader, and one member of the minority party from either the senate or the  
13 house appointed by the minority leaders of the senate and the house.

14 **SECTION 19. CAPITAL PAYMENTS.** During the biennium beginning July 1, 2025, and  
15 ending June 30, 2027, the department of health and human services is authorized to expend  
16 funds for the payment of special assessments at the state hospital, southeast human service  
17 center, and life skills and transition center. Pursuant to section 3 of this Act, the director of the  
18 office of management and budget may transfer appropriation authority between line items within  
19 section 1 of this Act and any remaining appropriation authority for the department of health and  
20 human services approved by the sixty-ninth legislative assembly. The department of health and  
21 human services may transfer funds for the payment of special assessments at the state  
22 hospital, southeast human service center, and life skills and transition center ahead of the  
23 special needs assessments schedule. Notwithstanding section 54-27-12, the department of  
24 health and human services may spend funds for the payment of special assessments at the  
25 state hospital and life skills and transition center.

26 **SECTION 20. CAPITAL PROJECTS - EMERGENCY COMMISSION AND BUDGET**  
27 **SECTION APPROVAL.** During the biennium beginning July 1, 2025, and ending June 30, 2027,  
28 pursuant to section 3 of this Act, the director of the office of management and budget may  
29 transfer appropriation authority between line items within section 1 of this Act and any remaining  
30 appropriation authority for the department of health and human services approved by the sixty-  
31 ninth legislative assembly for capital projects and maintenance pertaining to operation of its

1 facilities, including demolition projects. Notwithstanding section 54-27-12, the department of  
2 health and human services may spend up to \$10,000,000 for capital projects and maintenance  
3 pertaining to operation of its facilities, including demolition projects, under this section and may  
4 seek emergency commission and budget section approval to spend more than \$10,000,000  
5 under this section.

6 **SECTION 21. PERMANENT SUPPORTIVE HOUSING GRANTS.** Section 1 of this Act  
7 includes the sum of \$4,672,536 from the general fund for permanent supportive housing grants.  
8 The department of health and human services shall develop a funding methodology to distribute  
9 the funding to qualified entities that utilize best practices for permanent supportive housing,  
10 provide recovery-oriented and person-centered services, submit process and outcome  
11 measures to the department of health and human services, and authorize the department of  
12 health and human services to conduct onsite visits to review program operations.

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

- 15 1. Section 1 of this Act includes the sum of \$662,099,340, of which \$66,209,934 is from  
16 the general fund, for the medical assistance expansion program, for the biennium  
17 beginning July 1, 2025, and ending June 30, 2027. The expenditures for individuals  
18 eligible for the medical assistance expansion program may not exceed this amount.
- 19 2. The department of health and human services may exceed appropriations for  
20 increases in medical assistance expansion program caseload, for the addition of  
21 coverage consistent with the traditional Medicaid 1915(i) state plan, utilization rates,  
22 and reduction in federal medical assistance percentage.
- 23 3. The managed care organization under contract with the department of health and  
24 human services to manage the medical assistance expansion program shall reimburse  
25 providers within the same provider type and specialty at consistent levels and with  
26 consistent methodology and may not provide incentive, quality, or supplemental  
27 payments to providers, unless part of a value-based program approved by the  
28 department of health and human services. The managed care organization shall  
29 reimburse all North Dakota substance use providers of American society of addiction  
30 medicine level 2.5 at consistent levels and with consistent methodology. The managed  
31 care organization may consider urban and rural providers as different provider types.

- 1       4. The managed care organization and the department of health and human services  
2       shall ensure payments to Indian or Tribal 638 health care providers, federally qualified  
3       health centers, and rural health clinics meet the federally required minimum levels of  
4       reimbursement. Critical access hospitals may not be paid less than one hundred  
5       percent of Medicare allowable costs and human service centers may not be paid less  
6       than one hundred percent of the current traditional Medicaid rate. Behavioral health  
7       services involving partial hospitalization, intensive outpatient, professional services,  
8       and residential behavioral health services provided in facilities that are not institutions  
9       for mental diseases are not subject to the provisions in subsection 6.
- 10      5. The department of health and human services shall ensure providers within the same  
11      provider type and specialty are reimbursed at consistent levels and with consistent  
12      methodology and shall ensure the capitation rates under risk contracts are actuarially  
13      sound and are adequate to meet managed care organization contractual requirements  
14      regarding availability of services, assurance or adequate capacity and services, and  
15      coordination and continuity of care.
- 16      6. Except for the provisions in subsection 4, managed care organization premium  
17      payments must be built using the assumption that rates paid to providers under the  
18      medical assistance expansion program may not exceed one hundred forty-five percent  
19      of Medicare reimbursement rates paid to providers on January 1, 2025.

20      **SECTION 23. HUMAN SERVICE CENTERS - CERTIFIED COMMUNITY BEHAVIORAL**  
21      **HEALTH CLINICS - FULL-TIME EQUIVALENT POSITIONS - REPORT.** The department of  
22      health and human services shall continue the process of the human service centers becoming a  
23      certified community behavioral health clinic to provide continuous community-based behavioral  
24      health services for children and adults. The department of health and human services shall  
25      pursue additional federal funding as available. Subject to the availability of generated income,  
26      the department of health and human services may add full-time equivalent positions for the  
27      clinics to provide direct services for the period beginning with the effective date of this Act and  
28      ending June 30, 2027. The department of health and human services shall report to the office of  
29      management and budget and legislative council each time a position is added.

30      **SECTION 24. INTERMEDIATE CARE FACILITY MORATORIUM.** The department of health  
31      and human services may not add any new licensed intermediate care facility for individuals with

1 intellectual disabilities beds to the state's licensed bed capacity between July 1, 2025, and  
2 June 30, 2027.

3 **SECTION 25. EXEMPTION - UNEXPENDED APPROPRIATIONS.** The following  
4 appropriations are not subject to the provisions of section 54-44.1-11 and any unexpended  
5 appropriation authority may be continued into the biennium beginning July 1, 2025, and ending  
6 June 30, 2027:

- 7 1. The sum of \$3,674,757 appropriated from the general fund and the sum of  
8 \$25,918,566 appropriated from federal funds for the Medicaid management  
9 information system modularization technology project in chapter 12 of the 2021  
10 Session Laws;
- 11 2. The sum of \$14,411,218 appropriated from the general fund and the sum of  
12 \$14,411,218 appropriated from federal funds for the child welfare technology project in  
13 chapter 12 of the 2021 Session Laws;
- 14 3. The sum of \$20,366,271 appropriated from the community health trust fund and the  
15 sum of \$39,534,525 appropriated from federal funds for the child support computer  
16 replacement project in chapter 44 of the 2023 Session Laws;
- 17 4. The sum of \$10,989,217 appropriated from the strategic investment and  
18 improvements fund for the procurement and grants management system in chapter 44  
19 of the 2023 Session Laws;
- 20 5. The sum of \$4,150,000 appropriated from the general fund for defraying the expenses  
21 of additional human service centers to begin the process of becoming a certified  
22 community behavioral health clinic to provide continuous community-based behavioral  
23 health services for children and adults in chapter 44 of the 2023 Session Laws;
- 24 6. The sum of \$18,941,847 appropriated to the department of health and human services  
25 in chapter 549 of the 2021 Special Session Laws;
- 26 7. The sum of \$55,120,000 appropriated from the federal state fiscal recovery fund for a  
27 public health laboratory capital project in chapter 4 of the 2023 Session Laws;
- 28 8. The sum of \$5,000,000 appropriated from the general fund for the purpose of  
29 employer-led child care cost-share program in chapter 446 of the 2023 Session Laws;
- 30 9. The sum of \$986,555 appropriated from the general fund for the purpose of  
31 streamlining background checks project in chapter 446 of the 2023 Session Laws;



1 10. The sum of \$2,223,981 appropriated from the federal state fiscal recovery fund for the  
2 implementation of a virtual behavioral health crisis care program for rural law  
3 enforcement in chapter 44 of the 2023 Session Laws; and

4 11. The sum of \$500,000 appropriated from the general fund and the sum of \$500,000  
5 appropriated from federal funds for the purpose of program integrity audits in  
6 chapter 44 of the 2023 Session Laws.

7 **SECTION 26. LEGISLATIVE INTENT - UTILIZATION RATE ADJUSTMENT.** It is the intent  
8 of the sixty-ninth legislative assembly that the department of health and human services seek a  
9 deficiency appropriation from the seventieth legislative assembly for any expenditures that  
10 exceed appropriated amounts as a result of underfunding, utilization rates, value-based  
11 purchasing for nursing facilities, reduction in federal medical assistance percentage, and  
12 unexpected contract cost increases that exceed ten percent, during the biennium beginning  
13 July 1, 2025, and ending June 30, 2027, if funding is not sufficient to pay actual expenses.

14 **SECTION 27. LEGISLATIVE INTENT - PROVIDER RATE INCREASE.** Except as  
15 otherwise noted, section 1 of this Act includes funding for human service provider inflation  
16 increases of two percent for each year of the biennium beginning July 1, 2025, and ending  
17 June 30, 2027. The provider inflation increase in this section does not apply to nursing facilities.

18 **SECTION 28. LEGISLATIVE INTENT - DEVELOPMENTAL DISABILITIES PROVIDER  
19 ACCREDITATION REQUIREMENT.** It is the intent of the sixty-ninth legislative assembly that  
20 the department of health and human services eliminate its administrative rule requirement that  
21 providers of developmental disabilities services be accredited as a condition of being eligible for  
22 receiving payments for services from the department of health and human services.

23 **SECTION 29. LEGISLATIVE INTENT - MEDICAL ASSISTANCE.** It is the intent of the  
24 sixty-ninth legislative assembly that the department of health and human services review the  
25 amount, duration, coverage, utilization rates, medical necessity, and scope of medical  
26 assistance services, and may implement any adjustments the department determines  
27 appropriate.

28 **SECTION 30. FEDERAL FUNDING APPEAL LIMITATION.** Except as otherwise  
29 specifically provided by federal law, a person may not appeal a denial, revocation, reduction in  
30 services or payment, or the termination of a program or service by the department of health and  
31 human services dues to the unavailability of federal coronavirus funding received under federal

1 law resulting from the federal coronavirus pandemic emergency declarations, for the biennium  
2 beginning July 1, 2025, and ending June 30, 2027.

3 **SECTION 31. DEPARTMENT OF HEALTH AND HUMAN SERVICES - LONG-TERM**  
4 **STRUCTURED RESIDENCES PLAN - REPORT.** During the 2025-26 interim, the department of  
5 health and human services shall review options and develop a plan to establish long-term  
6 structured residences. The department shall review necessary changes to statutes, rules,  
7 policies, and the estimated fiscal impact of establishing the residences. A long-term structured  
8 residence must be a highly structured therapeutic residential mental health treatment facility  
9 that is staffed continuously and designed to treat adults under chapters 12.1-04.1 and 25-03.1  
10 who have severe and persistent mental illness and who have reached the maximum benefit  
11 from the mental health resources available elsewhere in the community or hospital. The  
12 department shall present a report to the legislative management by October 1, 2026, regarding  
13 its plan to establish long-term structured residences.

14 **SECTION 32. AMENDMENT.** Section 50-06-06.6 of the North Dakota Century Code is  
15 amended and reenacted as follows:

16 **50-06-06.6. Department may lease real and personal property.**

17 The commissioner of the department or commissioner's designee may lease ~~surplus farm-~~  
18 ~~and pastureland at the state hospital and the life skills and transition center.~~ The commissioner  
19 ~~or designee also may enter into further leases of~~ real or personal property at the life skills and  
20 transition center or the state hospital upon a specific finding that the granting of each such  
21 leasehold interest will result in a net economic gain for the department, taking into account all  
22 identifiable costs. Any lease of space for the purpose of providing child care services must meet  
23 requirements as determined by the department. The commissioner of the department or  
24 commissioner's designee may prescribe the terms and conditions of any leases entered into  
25 pursuant to this section and may renew existing leases. ~~Any~~ The term of any lease entered into  
26 ~~must be subject to renewal or cancelable each biennium~~ may not exceed ninety-nine years.

27 **SECTION 33. AMENDMENT.** Section 50-06-42 of the North Dakota Century Code is  
28 amended and reenacted as follows:

1       **50-06-42. Substance use disorder treatment voucher system - Mental health**  
2       **treatment voucher system for incarcerated individuals.**

3       1. The department shall establish and administer, within the limits of legislative  
4       appropriations, a voucher system to address underserved areas and gaps in the  
5       state's substance abuse treatment system and to assist in the payment of addiction  
6       treatment services and medical costs provided by licensed substance abuse treatment  
7       programs, excluding regional human service centers and hospital- or medical clinic-  
8       based programs for medical management of withdrawal.

9       a. An out-of-state licensed substance abuse treatment program located within a  
10       bordering state may participate in the voucher program to serve an underserved  
11       area of this state pursuant to the rules adopted by the department. The  
12       department shall develop rules to include processes and requirements for an  
13       out-of-state provider to receive reimbursement only for outpatient and  
14       community-based services upon a provider completing an assessment of need  
15       and receiving approval from the department.

16       2-b. Services eligible for the voucher program include only those levels of care  
17       recognized by the American society of addiction medicine, with particular  
18       emphasis given to underserved areas and programs. The department shall  
19       ensure that a licensed substance abuse treatment program, hospital, and  
20       medical clinic program accepting vouchers collects and reports process and  
21       outcome measures.

22       3.c. The department shall develop requirements and provide training and technical  
23       assistance to a licensed substance abuse treatment program, hospital, and  
24       medical clinic program accepting vouchers. A licensed substance abuse  
25       treatment program, hospital, and medical clinic program accepting vouchers shall  
26       provide evidence-based services.

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

29       a.(1) ~~No~~ Except as provided in paragraphs 3 and 4, no more than ~~forty-five~~ fifty  
30       percent of the appropriated amount may be allocated for residential

1 substance use disorder services administered by licensed substance abuse  
2 treatment programs with more than sixteen beds.

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

7 (3) The department, during the last quarter of the biennium, may reallocate  
8 projected unused funds that were allocated under paragraph 2 to residential  
9 facilities outlined in paragraph 1.

10 (4) The department may reimburse a licensed substance abuse treatment  
11 program with more than sixteen beds the incurred direct medical costs of an  
12 eligible individual who does not have resources to cover the medical costs.  
13 The department may develop rules and may not exceed the total amount  
14 appropriated for medical cost reimbursement.

15 2. 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 mental health treatment system for individuals detained or confined in a county  
18 jail or detention center or regional corrections center and to assist in the payment of  
19 mental health treatment services provided by a licensed mental health professional  
20 acting within their scope of practice, excluding a regional human service center.

21 a. Services eligible for the voucher program include only diagnostic assessment  
22 and mental health therapy for individuals with a mental health concern detained  
23 or confined in a county jail or detention center or regional corrections center. The  
24 department shall ensure that a licensed mental health professional accepting  
25 vouchers collects and reports process and outcome measures.

26 b. The department shall develop requirements and provide training and technical  
27 assistance to licensed mental health professionals accepting vouchers. A  
28 licensed mental health professional shall provide evidence-based services.

29 **SECTION 34. AMENDMENT.** Section 50-24.5-02.3 of the North Dakota Century Code is  
30 amended and reenacted as follows:

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

1. The department shall determine limits for the care of residents of basic care facilities that qualify as vendors of an aged, blind, and disabled persons program and for implementing provisions of this chapter based on data demonstrating the most recent costs that must be incurred for the care of residents in efficiently and economically operated basic care facilities. The department shall determine the limits every four years by July first, beginning with July 1, 2023.
2. The department shall establish the limits by using the median rates from the most recent data available. The direct care limit must be the median plus eighteen percent. The indirect care limit must be the median plus twelve percent.
3. For the rate year beginning July 1, 2023, the department shall increase rates and limits three and one-half percent for inflation. For the rate year beginning July 1, 2024, the department shall increase rates and limits three and one-half percent for inflation.
4. The department shall provide a rate increase in the amount of five dollars per day for the period beginning July 1, 2023, and ending June 30, ~~2025~~2027, after which the increase is not effective. This rate increase may not be included in any calculation of inflation increase.
5. Within the limits of legislative appropriations, the department shall establish an uncompensated care expense of three hundred sixty-five days.

**SECTION 35. AMENDMENT.** Section 50-33-05 of the North Dakota Century Code is amended and reenacted as follows:

**50-33-05. State of residence.**

Only child care assistance units physically residing within the boundaries of the state are eligible for child care assistance, unless the individual is employed by an early childhood program within the boundaries of the state and the individual has been approved for the state's child care assistance child care workforce benefit.

**SECTION 36. HOUSING AVAILABILITY ASSESSMENT - COLLABORATION WITH HOUSING FINANCE AGENCY.** The department of health and human services shall collaborate with the North Dakota housing finance agency and other appropriate stakeholders to assess the availability of housing for individuals requiring extraordinary health care support services, for the biennium beginning July 1, 2025, and ending June 30, 2027. Based on the results of the

1 assessment, if necessary, the department shall develop a plan to expand access to housing  
2 providing the least restrictive environment for individuals requiring extraordinary health care  
3 support services.

4 **SECTION 37. BEHAVIORAL HEALTH CLINICS, NORTH DAKOTA STATE HOSPITAL,**  
5 **AND LIFE SKILLS AND TRANSITION CENTER FUNDING.** Section 1 of this Act includes  
6 funding for the behavioral health clinics, North Dakota state hospital, and life skills and transition  
7 center as follows:

8 1. Behavioral health clinics:

|                             |                   |
|-----------------------------|-------------------|
| 9 a. Salaries and wages     | \$156,967,103     |
| 10 b. Operating and capital | <u>64,131,965</u> |
| 11 c. Total                 | \$221,099,068     |

12 2. State hospital:

|                             |                    |
|-----------------------------|--------------------|
| 13 a. Salaries and wages    | \$68,775,551       |
| 14 b. Operating and capital | <u>350,880,155</u> |
| 15 c. Total                 | \$419,655,706      |

16 3. Life skills and transition center:

|                             |                   |
|-----------------------------|-------------------|
| 17 a. Salaries and wages    | \$55,540,213      |
| 18 b. Operating and capital | <u>15,207,658</u> |
| 19 c. Total                 | \$70,747,871      |

20 **SECTION 38. LEGISLATIVE MANAGEMENT STUDY - STUDENT TRUANCY AND**  
21 **ABSENTEEISM.** The legislative management shall consider studying, during the 2025-26  
22 interim, truancy and student absenteeism in kindergarten through grade twelve public schools.  
23 The legislative management shall report its findings and recommendations, together with any  
24 legislation necessary to implement its recommendations, to the seventieth legislative assembly.

25 **SECTION 39. LEGISLATIVE MANAGEMENT STUDY - OBESITY HEALTH**  
26 **IMPLICATIONS.** The legislative management shall consider studying, during the 2025-26  
27 interim, the health implications of obesity on the residents of the state and options to increase  
28 access to prevention and treatments for obesity. If conducted, the study must review costs  
29 associated with obesity including comorbidities, treatments available for obesity, obesity  
30 diagnosis guidelines including use of body mass index compared with percentage of body fat,  
31 and examining the difference between being an individual who is healthy and overweight as

1 compared to an obese individual. The legislative management shall report its findings and  
2 recommendations, together with any legislation necessary to implement its recommendations,  
3 to the seventieth legislative assembly.

4 **SECTION 40. LEGISLATIVE MANAGEMENT REPORT - BEHAVIORAL HEALTH**

5 **FACILITY GRANTS.** During the 2025-26 interim the department of health and human services  
6 shall provide reports to the legislative management regarding the award of grant funding to  
7 increase the number of behavioral health beds in the state.

8 **SECTION 41. EFFECTIVE DATE.** Section 33 of this Act becomes effective on July 1, 2026.

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1012 - Summary of House Action**

|  | Base Budget     | House Changes   | House Version   |
|--|-----------------|-----------------|-----------------|
| <b>Department of Health and Human Services</b> |                 |                 |                 |
| Total all funds                                | \$0             | \$596,284,775   | \$596,284,775   |
| Less estimated income                          | 0               | 286,720,150     | 286,720,150     |
| General fund                                   | \$0             | \$309,564,625   | \$309,564,625   |
| FTE  | 0.00            | 2,688.35        | 2,688.35        |
| <b>DHHS - Business Operations</b>              |                 |                 |                 |
| Total all funds                                | \$192,993,318   | (\$95,929,687)  | \$97,063,631    |
| Less estimated income                          | 118,894,310     | (71,526,221)    | 47,368,089      |
| General fund                                   | \$74,099,008    | (\$24,403,466)  | \$49,695,542    |
| FTE  | 114.40          | (114.40)        | 0.00            |
| <b>DHHS - Behavioral Health</b>                |                 |                 |                 |
| Total all funds                                | \$421,861,349   | \$159,059,254   | \$580,920,603   |
| Less estimated income                          | 113,955,941     | 285,267,537     | 399,223,478     |
| General fund                                   | \$307,905,408   | (\$126,208,283) | \$181,697,125   |
| FTE  | 1,054.27        | (1,054.27)      | 0.00            |
| <b>DHHS - Human Services</b>                   |                 |                 |                 |
| Total all funds                                | \$1,863,859,882 | \$19,124,673    | \$1,882,984,555 |
| Less estimated income                          | 1,240,409,529   | (13,961,485)    | 1,226,448,044   |
| General fund                                   | \$623,450,353   | \$33,086,158    | \$656,536,511   |
| FTE  | 1,009.16        | (1,009.16)      | 0.00            |
| <b>DHHS - Medical Services</b>                 |                 |                 |                 |
| Total all funds                                | \$2,776,246,128 | \$79,663,485    | \$2,855,909,613 |
| Less estimated income                          | 1,818,029,530   | (7,372,459)     | 1,810,657,071   |
| General fund                                   | \$958,216,598   | \$87,035,944    | \$1,045,252,542 |
| FTE  | 90.50           | (90.50)         | 0.00            |
| <b>DHHS - Public Health</b>                    |                 |                 |                 |
| Total all funds                                | \$298,196,870   | (\$33,177,619)  | \$265,019,251   |
| Less estimated income                          | 250,440,690     | (20,626,287)    | 229,814,403     |
| General fund                                   | \$47,756,180    | (\$12,551,332)  | \$35,204,848    |
| FTE  | 215.50          | (215.50)        | 0.00            |
| <b>Bill total</b>                              |                 |                 |                 |
| Total all funds                                | \$5,553,157,547 | \$725,024,881   | \$6,278,182,428 |
| Less estimated income                          | 3,541,730,000   | 458,501,235     | 4,000,231,235   |
| General fund                                   | \$2,011,427,547 | \$266,523,646   | \$2,277,951,193 |
| FTE  | 2,483.83        | 204.52          | 2,688.35        |

**House Bill No. 1012 - Department of Health and Human Services - House Action**

|                                | Base Budget | House Changes | House Version |
|--------------------------------|-------------|---------------|---------------|
| Salaries and wages block grant |             | \$596,284,775 | \$596,284,775 |
| Total all funds                | \$0         | \$596,284,775 | \$596,284,775 |
| Less estimated income          | 0           | 286,720,150   | 286,720,150   |
| General fund                   | \$0         | \$309,564,625 | \$309,564,625 |
| FTE                            | 0.00        | 2,688.35      | 2,688.35      |



**Department 325 - Department of Health and Human Services - Detail of House Changes**

|                                | <b>Creates<br/>Salaries and<br/>Wages Block<br/>Grant Funding<br/>Pool<sup>1</sup></b> | <b>Total House<br/>Changes</b> |
|--------------------------------|--|--------------------------------|
| Salaries and wages block grant | \$596,284,775  | \$596,284,775                  |
| Total all funds                | \$596,284,775  | \$596,284,775                  |
| Less estimated income          | 286,720,150  | 286,720,150                    |
| General fund                   | \$309,564,625  | \$309,564,625                  |
| FTE                            | 2,688.35   | 2,688.35                       |

<sup>1</sup> Funding for departmentwide salaries and wages is transferred into a salaries and wages block grant funding pool.

**House Bill No. 1012 - DHHS - Business Operations - House Action**

|                       | <b>Base<br/>Budget</b> | <b>House<br/>Changes</b> | <b>House<br/>Version</b> |
|-----------------------|------------------------|--------------------------|--------------------------|
| Salaries and wages    | \$25,763,358           | (\$25,763,358)           |                          |
| Operating expenses    | 155,308,399            | (77,023,770)             | \$78,284,629             |
| Capital assets        | 108,934                | (108,934)                |                          |
| Grants                | 11,812,627             | 6,966,375                | 18,779,002               |
| Total all funds       | \$192,993,318          | (\$95,929,687)           | \$97,063,631             |
| Less estimated income | 118,894,310            | (71,526,221)             | 47,368,089               |
| General fund          | \$74,099,008           | (\$24,403,466)           | \$49,695,542             |
| FTE                   | 114.40                 | (114.40)                 | 0.00                     |

**Department 326 - DHHS - Business Operations - Detail of House Changes**

|                       | <b>Adjusts<br/>Funding for<br/>Business<br/>Operations<br/>Division<sup>1</sup></b> | <b>Total House<br/>Changes</b> |
|-----------------------|---|--------------------------------|
| Salaries and wages    | (\$25,763,358)  | (\$25,763,358)                 |
| Operating expenses    | (77,023,770)  | (77,023,770)                   |
| Capital assets        | (108,934)   | (108,934)                      |
| Grants                | 6,966,375   | 6,966,375                      |
| Total all funds       | (\$95,929,687)  | (\$95,929,687)                 |
| Less estimated income | (71,526,221)  | (71,526,221)                   |
| General fund          | (\$24,403,466)  | (\$24,403,466)                 |
| FTE                   | (114.40)  | (114.40)                       |

<sup>1</sup> Funding for the business operations division is adjusted as follows:

| <u>Description</u>  | <u>FTE</u> | <u>General Fund</u> | <u>Other Funds</u> | <u>Total</u>   |
|---|------------|---------------------|--------------------|----------------|
| Adjusts funding for base payroll and budget changes.  |            | (\$16,396,866)      | (\$66,836,143)     | (\$83,233,009) |
| Adjusts FTE positions   | 66.15      |                     |                    |                |
| Adds funding for salary increases of 3 percent on July 1, 2025, and July 1, 2026                  |            | 1,035,502           | 531,151            | 1,566,653      |
| Adds funding for monthly increases in health insurance rates from \$1,643 to \$1,893 per employee |            | 651,154             | 363,569            | 1,014,723      |
| Transfers salaries and wages into the department's FTE block grant pool                           | (180.55)   | (12,603,508)        | (17,737,100)       | (30,340,608)   |
| Underfunds salaries and wages departmentwide  |            | (20,157,874)        | 0                  | (20,157,874)   |

| <u>Description</u>   | <u>FTE</u> | <u>General Fund</u> | <u>Other Funds</u>  | <u>Total</u>        |
|--|------------|---------------------|---------------------|---------------------|
| Underfunds operating expenses departmentwide   |            | (3,050,000)         | 0                   | (3,050,000)         |
| Adds funding for increases in rates charged by the Attorney General's office and the Office of Administrative Hearings |            | 190,590             | 0                   | 190,590             |
| Adds funding for increases in information technology rates   |            | 5,196,748           | 2,152,302           | 7,349,050           |
| Increases funding for costs of information technology contracts  |            | <u>20,730,788</u>   | <u>0</u>            | <u>20,730,788</u>   |
| Total ongoing changes  | (114.4)    | (\$24,403,466)      | (\$81,526,221)      | (\$105,929,687)     |
| One-time funding items:  |            |                     |                     |                     |
| Provides funding for costs to retire mainframe applications  |            | <u>0</u>            | <u>10,000,000</u>   | <u>10,000,000</u>   |
| Total one-time funding changes   |            | <u>\$0</u>          | <u>\$10,000,000</u> | <u>\$10,000,000</u> |
| Total changes to base level  | (114.4)    | (\$24,403,466)      | (\$71,526,221)      | (\$95,929,687)      |

**House Bill No. 1012 - DHHS - Behavioral Health - House Action**

|                             | <u>Base Budget</u> | <u>House Changes</u> | <u>House Version</u> |
|-----------------------------|--------------------|----------------------|----------------------|
| Salaries and wages          | \$8,792,675        | (\$8,792,675)        |                      |
| Operating expenses          | 79,381,458         | 23,888,138           | \$103,269,596        |
| Grants                      | 40,476,298         | 21,889,322           | 62,365,620           |
| Behavioral health clinics   | 196,383,945        | (139,978,713)        | 56,405,232           |
| State Hospital              | 94,826,973         | 256,053,182          | 350,880,155          |
| Opioid addiction prevention | 2,000,000          | 6,000,000            | 8,000,000            |
| Total all funds             | \$421,861,349      | \$159,059,254        | \$580,920,603        |
| Less estimated income       | 113,955,941        | 285,267,537          | 399,223,478          |
| General fund                | \$307,905,408      | (\$126,208,283)      | \$181,697,125        |
| FTE                         | 1,054.27           | (1,054.27)           | 0.00                 |

**Department 327 - DHHS - Behavioral Health - Detail of House Changes**

|                             | <u>Adjusts Funding for Behavioral Health Division<sup>1</sup></u> | <u>Total House Changes</u> |
|-----------------------------|---|----------------------------|
| Salaries and wages          | (\$8,792,675)   | (\$8,792,675)              |
| Operating expenses          | 23,888,138  | 23,888,138                 |
| Grants                      | 21,889,322  | 21,889,322                 |
| Behavioral health clinics   | (139,978,713)   | (139,978,713)              |
| State Hospital              | 256,053,182   | 256,053,182                |
| Opioid addiction prevention | 6,000,000   | 6,000,000                  |
| Total all funds             | \$159,059,254   | \$159,059,254              |
| Less estimated income       | 285,267,537   | 285,267,537                |
| General fund                | (\$126,208,283)   | (\$126,208,283)            |
| FTE                         | (1,054.27)  | (1,054.27)                 |

<sup>1</sup> Funding for the behavioral health division is adjusted as follows:

| <u>Description</u>                                   | <u>FTE</u> | <u>General Fund</u> | <u>Other Funds</u> | <u>Total</u> |
|--|------------|---------------------|--------------------|--------------|
| Adjusts funding for base payroll and budget changes. |            | \$15,466,235        | \$2,311,139        | \$17,777,374 |
| Adjusts funding for base budget changes              |            | 5,709,106           | (5,000,000)        | 709,106      |
| FTE position adjustment                              | 104.93     |                     |                    |              |

| <u>Description</u>   | <u>FTE</u> | <u>General Fund</u> | <u>Other Funds</u> | <u>Total</u>  |
|--|------------|---------------------|--------------------|---------------|
| Adds funding for salary increases of 3 percent on July 1, 2025 and July 1, 2026  |            | 8,392,306           | 134,924            | 8,527,230     |
| Adds funding for monthly increase in health insurance rates from \$1,643 to \$1,893 per employee   |            | 6,517,157           | 114,129            | 6,631,286     |
| Moves salaries and wages to the FTE block grant pool   | (1,159.20) | (190,198,399)       | (68,592,655)       | (258,791,054) |
| Adds funding related to an opioid settlement   |            | 0                   | 8,000,000          | 8,000,000     |
| Provides funding for a remote crisis intervention solution for law enforcement   |            | 0                   | 1,000,000          | 1,000,000     |
| Provides funding to expand use of the SUD voucher for addiction treatment and recovery services  |            | 2,500,000           | 0                  | 2,500,000     |
| Provides funding for SUD for medical expenses in institutions for mental disease facilities  |            | 500,000             | 0                  | 500,000       |
| Provides additional SUD funding for 50/50 inpatient/outpatient services  |            | 500,000             | 0                  | 500,000       |
| Provides additional SUD funding for treatment of incarcerated individuals  |            | 2,500,000           | 0                  | 2,500,000     |
| Provides equity funding for behavioral health staff in western North Dakota  |            | 250,536             | 0                  | 250,536       |
| Provides additional funding for inflationary increases in crisis residential contracts   |            | 706,233             | 0                  | 706,233       |
| Provides additional funding for inflationary increases in addiction residential contracts  |            | 917,786             | 0                  | 917,786       |
| Provides additional funding for inflationary increases in recovery/rehab contracts   |            | 2,154,668           | 0                  | 2,154,668     |
| Provides an adjustment to the additional inflationary adjustment for vendor contracts  |            | (2,000,000)         | 0                  | (2,000,000)   |
| Provides funding to expand training and education for treatment collaborative for traumatized youth  |            | 408,000             | 0                  | 408,000       |
| Provides funding for out of home residential services for Medicaid eligible children with a serious emotional disorder                                       |            | 1,351,997           | 0                  | 1,351,997     |
| Continues funding for existing levels of the free through recovery and community connect programs  |            | 4,761,081           | 0                  | 4,761,081     |
| Provides increased funding to the community connect program for individuals with behavioral health concerns  |            | 4,458,814           | 0                  | 4,458,814     |
| Provides funding to expand the free through recovery program for individuals involved with the criminal justice system who have behavioral health concerns   |            | 4,016,908           | 0                  | 4,016,908     |
| Increases funding for peer support utilizing a trained individual with lived experience of recovery from mental illness, substance abuse and/or brain injury |            | 137,990             | 0                  | 137,990       |
| Provides funding to expand the treatment court in partnership with the Department of Corrections and Rehabilitation and the court system                     |            | 200,000             | 0                  | 200,000       |

| <u>Description</u>  | <u>FTE</u> | <u>General Fund</u> | <u>Other Funds</u>   | <u>Total</u>         |
|---|------------|---------------------|----------------------|----------------------|
| Provides 2% annual provider inflation increases   |            | 2,541,299           | 0                    | 2,541,299            |
| Provides funding to increase behavioral health services for nursing homes and basic care facilities   |            | <u>2,000,000</u>    | <u>0</u>             | <u>2,000,000</u>     |
| Total ongoing changes   | (1,054.27) | (\$126,208,283)     | (\$62,032,463)       | (\$188,240,746)      |
| One-time funding items:   |            |                     |                      |                      |
| Provides funding for an on-premise data backup and recovery system for the electronic health record data  |            | \$0                 | \$500,000            | \$500,000            |
| Provides funding for data extraction and migration from the electronic health record legacy system  |            | 0                   | 1,000,000            | 1,000,000            |
| Provides funding to create a redundant network line for failover in the event of a primary network loss for the State Hospital                            |            | 0                   | 500,000              | 500,000              |
| Provides funding for community-based partial hospitalization and intensive day treatment programs for mental health disorders and substance use disorders |            | 0                   | 2,000,000            | 2,000,000            |
| Provides funding to remodel bathrooms at the Southeast Human Service Center   |            | 0                   | 340,000              | 340,000              |
| Provides funding to construct a new state hospital  |            | 0                   | 330,000,000          | 330,000,000          |
| Provides funding for a grant to a behavioral health facility in the northeast human service region  |            | <u>0</u>            | <u>12,960,000</u>    | <u>12,960,000</u>    |
| Total one-time funding changes  |            | <u>\$0</u>          | <u>\$347,300,000</u> | <u>\$347,300,000</u> |
| Total changes to base level   | (1,054.27) | (\$126,208,283)     | \$285,267,537        | \$159,059,254        |

**House Bill No. 1012 - DHHS - Human Services - House Action**

|                                   | <b>Base Budget</b>   | <b>House Changes</b> | <b>House Version</b> |
|-----------------------------------|----------------------|----------------------|----------------------|
| Salaries and wages                | \$168,325,918        | (\$168,325,918)      |                      |
| Operating expenses                | 88,885,469           | 108,258,236          | \$197,143,705        |
| Capital assets                    | 10,000               |                      | 10,000               |
| Grants                            | 621,189,007          | 94,393,260           | 715,582,267          |
| Life Skills and Transition Center | 44,992,263           | (29,784,605)         | 15,207,658           |
| Grants - Medical assistance       | 742,793,564          | 7,655,079            | 750,448,643          |
| County social services            | 197,663,661          | 6,928,621            | 204,592,282          |
| Total all funds                   | \$1,863,859,882      | \$19,124,673         | \$1,882,984,555      |
| Less estimated income             | <u>1,240,409,529</u> | <u>(13,961,485)</u>  | <u>1,226,448,044</u> |
| General fund                      | \$623,450,353        | \$33,086,158         | \$656,536,511        |
| FTE                               | 1,009.16             | (1,009.16)           | 0.00                 |

**Department 328 - DHHS - Human Services - Detail of House Changes**

|                                      | Adjusts<br>Funding for<br>Human<br>Services<br>Division <sup>1</sup> | Total House<br>Changes |
|--------------------------------------|--|------------------------|
| Salaries and wages                   | (\$168,325,918)  | (\$168,325,918)        |
| Operating expenses                   | 108,258,236  | 108,258,236            |
| Capital assets                       |  |                        |
| Grants                               | 94,393,260   | 94,393,260             |
| Life Skills and Transition<br>Center | (29,784,605)   | (29,784,605)           |
| Grants - Medical assistance          | 7,655,079  | 7,655,079              |
| County social services               | 6,928,621  | 6,928,621              |
| <b>Total all funds</b>               | <b>\$19,124,673</b>  | <b>\$19,124,673</b>    |
| Less estimated income                | (13,961,485)   | (13,961,485)           |
| General fund                         | \$33,086,158   | \$33,086,158           |
| <br>FTE                              | <br>(1,009.16)   | <br>(1,009.16)         |

<sup>1</sup> Funding for the human services division is adjusted as follows:

| <u>Description</u>   | <u>FTE</u> | <u>General Fund</u> | <u>Other Funds</u> | <u>Total</u>  |
|--|------------|---------------------|--------------------|---------------|
| Adjusts funding for base payroll and budget changes.   |            | \$10,605,259        | \$93,868,910       | \$104,474,169 |
| Adjusts FTE positions  | 19.54      |                     |                    |               |
| Adjusts funding for base budget changes  |            | 57,330,438          | (2,746,684)        | 54,583,754    |
| Provides funding for 2% annual provider inflationary increase  |            | 12,988,702          | 13,926,186         | 26,914,888    |
| Adds funding for salary increases of 3 percent on July 1, 2025, and July 1, 2026   |            | 2,546,488           | 4,704,191          | 7,250,679     |
| Adds funding for monthly increase in health insurance rates from \$1,643 to \$1,893 per employee   |            | 2,072,787           | 3,795,116          | 5,867,903     |
| Transfers salaries and wages into the department's FTE block grant pool  | (1,029.70) | (76,722,653)        | (150,764,540)      | (227,487,193) |
| Increases the FMAP percentage from 50% to 50.99%   |            | (4,290,660)         | 744,660            | (3,546,000)   |
| <b>Aging Services</b>  |            |                     |                    |               |
| Provides funding to provide permanent supported housing including rental assistance for target population per DOJ settlement                         |            | 300,000             | 0                  | 300,000       |
| Adds funding for people with special health needs to move out of institutional settings or divert them from institutions to community-based settings |            | 2,733,934           | 2,555,463          | 5,289,397     |
| Provides funding for adult protective services to respond to reports of abuse or neglect of vulnerable adults  |            | 718,522             | 0                  | 718,522       |
| Provides an FTE for a state dementia coordinator   | 1.00       | 0                   | 0                  | 0             |
| <b>Children and Family Services</b>  |            |                     |                    |               |
| Adds funding to assist with adoption services  |            | 4,883,205           | 0                  | 4,883,205     |
| Adds funding for 2 defense attorneys contracted by North Dakota indigent defense to specialize in child welfare                                      |            | 350,000             | 350,000            | 700,000       |

| <u>Description</u>  | <u>FTE</u> | <u>General Fund</u> | <u>Other Funds</u> | <u>Total</u>   |
|---|------------|---------------------|--------------------|----------------|
| <b>Developmental Disabilities</b>   |            |                     |                    |                |
| Provides funding to create host home services in the developmental disability waiver  |            | 1,689,900           | 1,689,900          | 3,379,800      |
| <b>Human Service Zones</b>  |            |                     |                    |                |
| Adds funding for zone employee salary increases   |            | 0                   | 5,002,833          | 5,002,833      |
| Total ongoing funding changes   | (1,009.16) | \$15,205,922        | (\$26,873,965)     | (\$11,668,043) |
| One-time funding items:   |            |                     |                    |                |
| Provides funding to retire economic assistance and Medicaid legacy systems on the mainframe   |            | \$0                 | \$2,000,000        | \$2,000,000    |
| Adds funding for conversion of developmental disability eligibility assessment tool for kids from ICAP to SIS                                   |            | 200,000             | 200,000            | 400,000        |
| Provides funding to implement a comprehensive vocational rehab technology system to connect people with disabilities to employment              |            | 0                   | 8,000,000          | 8,000,000      |
| Provides funding to replace the roof on the cedar grove building at the Life Skills and Transition Center                                       |            | 0                   | 712,480            | 712,480        |
| Adds funding to expand the best in class program  |            | 6,000,000           | 0                  | 6,000,000      |
| Provides funding to continue grants and resources to child care providers for infrastructure, start-ups, and expansions                         |            | 2,500,000           | 0                  | 2,500,000      |
| Provides funding for early childhood quality infrastructure supports for quality cohort participants and providers receiving intensive coaching |            | 3,000,000           | 0                  | 3,000,000      |
| Adds funding for inclusion supports for children with special needs at private child care programs  |            | 172,500             | 0                  | 172,500        |
| Adds funding to expand access to teaching strategies outcome measurement tool   |            | 100,000             | 0                  | 100,000        |
| Adds funding for quality tiers in child care assistance program.  |            | 1,500,000           | 0                  | 1,500,000      |
| Provides funding for home renovation incentives for accessibility   |            | 0                   | 1,000,000          | 1,000,000      |
| Provides funding for a community cultural center grant located in the west central human services region  |            | 0                   | 1,000,000          | 1,000,000      |
| Provides funding for a winter park adaptive recreation program grant  |            | 200,000             | 0                  | 200,000        |
| Provides funding for an intermediate care facility grant to Anne Carlsen  |            | 3,457,736           | 0                  | 3,457,736      |
| Provides funding for juvenile justice diversion services  |            | 750,000             | 0                  | 750,000        |
| Total one-time changes  |            | \$17,880,236        | \$12,912,480       | \$30,792,716   |
| Total change to base budget   | (1,009.16) | \$33,086,158        | (\$13,961,485)     | \$19,124,673   |

**House Bill No. 1012 - DHHS - Medical Services - House Action**

|                             | Base Budget          | House Changes      | House Version        |
|-----------------------------|----------------------|--------------------|----------------------|
| Salaries and wages          | \$21,008,344         | (\$21,008,344)     |                      |
| Operating expenses          | 70,807,977           | 92,364,562         | \$163,172,539        |
| Grants                      | 1,651,004            | 1,806,800          | 3,457,804            |
| Grants - Medical assistance | <u>2,682,778,803</u> | <u>6,500,467</u>   | <u>2,689,279,270</u> |
| Total all funds             | \$2,776,246,128      | \$79,663,485       | \$2,855,909,613      |
| Less estimated income       | <u>1,818,029,530</u> | <u>(7,372,459)</u> | <u>1,810,657,071</u> |
| General fund                | \$958,216,598        | \$87,035,944       | \$1,045,252,542      |
| FTE                         | 90.50                | (90.50)            | 0.00                 |

**Department 329 - DHHS - Medical Services - Detail of House Changes**

|                             | Adjusts Funding for Medical Services Division <sup>1</sup> | Total House Changes |
|-----------------------------|--|---------------------|
| Salaries and wages          | (\$21,008,344)   | (\$21,008,344)      |
| Operating expenses          | 92,364,562   | 92,364,562          |
| Grants                      | 1,806,800  | 1,806,800           |
| Grants - Medical assistance | <u>6,500,467</u>   | <u>6,500,467</u>    |
| Total all funds             | \$79,663,485   | \$79,663,485        |
| Less estimated income       | <u>(7,372,459)</u>   | <u>(7,372,459)</u>  |
| General fund                | \$87,035,944   | \$87,035,944        |
| FTE                         | (90.50)  | (90.50)             |

<sup>1</sup> Funding for the medical services division is adjusted as follows:

| Description   | FTE      | General Fund   | Other Funds   | Total        |
|---|----------|----------------|---------------|--------------|
| Adjusts funding for base payroll and budget changes   |          | (\$28,505,732) | 61,061,722    | 32,555,990   |
| Adjust FTE positions  | 11.25    |                |               |              |
| Adjusts funding for base payroll and budget changes   |          | 71,253,662     | (118,383,672) | (47,130,010) |
| Adds funding for salary increases of 3 percent on July 1, 2025, and July 1, 2026  |          | 338,151        | 479,188       | 817,339      |
| Adds funding for monthly increases in health insurance rates from \$1,643 to \$1,893 per employee   |          | 233,619        | 342,896       | 576,515      |
| Transfers salaries and wages into the department's FTE block grant pool   | (101.75) | (9,636,069)    | (15,163,610)  | (24,799,679) |
| Adds funding for cost to continue for home- and community-based services growth   |          | 36,977,113     | 27,837,811    | 64,814,924   |
| Provides funding for qualified provider targeted rate increase for nursing, personal care, respite, companionship, and homemaker services |          | 3,595,104      | 1,797,552     | 5,392,656    |
| Provides funding to increase private duty nursing and home health targeted rate increase  |          | 1,235,768      | 1,235,768     | 2,471,536    |
| Expands funding for additional provider groups to ensure populations are supported with personal centered care and support                |          | 1,000,000      | 1,000,000     | 2,000,000    |
| Adds funding to implement the children's cross disability waiver  |          | 2,474,226      | 2,474,226     | 4,948,452    |
| Re-establishes DD bed assessment  |          | 0              | 7,209,580     | 7,209,580    |

| Description  | FTE     | General Fund | Other Funds    | Total        |
|--|---------|--------------|----------------|--------------|
| Provides funding to rebase ambulance rates to the lowest quartile Medicare rural base rate |         | 2,189,770    | 2,189,770      | 4,379,540    |
| Provides funding for 2% annual provider inflationary rate increases                        |         | 13,689,672   | 15,190,970     | 28,880,642   |
| Provides for a change in the FMAP rate from 50.0% to 50.99%                                |         | (7,809,340)  | 1,355,340      | (6,454,000)  |
| Total ongoing funding changes  | (90.50) | \$87,035,944 | (\$11,372,459) | \$75,663,485 |
| One-time funding items:  |         |              |                |              |
| Provides funding to retire the Medicaid legacy system currently on the mainframe           |         | \$0          | \$2,000,000    | \$2,000,000  |
| Provides funding for a critical access hospital networking grant                           |         | 0            | 2,000,000      | 2,000,000    |
| Total one-time funding changes   |         | \$0          | \$4,000,000    | \$4,000,000  |
| Total changes to base level  | (90.50) | \$87,035,944 | (\$7,372,459)  | \$79,663,485 |

**House Bill No. 1012 - DHHS - Public Health - House Action**

|                       | Base Budget   | House Changes  | House Version |
|-----------------------|---------------|----------------|---------------|
| Salaries and wages    | \$60,415,388  | (\$60,415,388) |               |
| Operating expenses    | 37,721,213    | 17,853,669     | \$55,574,882  |
| Capital assets        | 1,469,780     | 2,215,838      | 3,685,618     |
| Grants                | 81,718,145    | 4,245,496      | 85,963,641    |
| Tobacco prevention    | 13,063,162    | (22,607)       | 13,040,555    |
| WIC food payments     | 19,900,000    | 1,100,000      | 21,000,000    |
| COVID-19 response     | 83,909,182    | 1,845,373      | 85,754,555    |
| Total all funds       | \$298,196,870 | (\$33,177,619) | \$265,019,251 |
| Less estimated income | 250,440,690   | (20,626,287)   | 229,814,403   |
| General fund          | \$47,756,180  | (\$12,551,332) | \$35,204,848  |
| FTE                   | 215.50        | (215.50)       | 0.00          |

**Department 330 - DHHS - Public Health - Detail of House Changes**

|                       | Adjusts Funding for Public Health Division <sup>1</sup> | Total House Changes |
|-----------------------|---|---------------------|
| Salaries and wages    | (\$60,415,388)  | (\$60,415,388)      |
| Operating expenses    | 17,853,669  | 17,853,669          |
| Capital assets        | 2,215,838   | 2,215,838           |
| Grants                | 4,245,496   | 4,245,496           |
| Tobacco prevention    | (22,607)  | (22,607)            |
| WIC food payments     | 1,100,000   | 1,100,000           |
| COVID-19 response     | 1,845,373   | 1,845,373           |
| Total all funds       | (\$33,177,619)  | (\$33,177,619)      |
| Less estimated income | (20,626,287)  | (20,626,287)        |
| General fund          | (\$12,551,332)  | (\$12,551,332)      |
| FTE                   | (215.50)  | (215.50)            |

<sup>1</sup> Funding for the public health division is adjusted as follows:

| Description  | FTE | General Fund  | Other Funds | Total       |
|--|-----|---------------|-------------|-------------|
| Adjusts funding for base payroll and budget changes                              |     | (\$1,503,118) | \$3,120,553 | \$1,617,435 |
| Adds funding for salary increases of 3 percent on July 1, 2025, and July 1, 2026 |     | 1,714,252     | 0           | 1,714,252   |



| <u>Description</u>  | <u>FTE</u> | <u>General Fund</u> | <u>Other Funds</u> | <u>Total</u>       |
|---|------------|---------------------|--------------------|--------------------|
| Adds funding for monthly increases in health insurance rates from \$1,643 to \$1,893 per employee |            | 1,183,357           | 0                  | 1,183,357          |
| Adjusts FTE positions   | 1.65       |                     |                    |                    |
| Transfers salaries and wages into the department's FTE block grant pool                           | (217.15)   | (20,403,996)        | (34,462,245)       | (54,866,241)       |
| Restores funding removed for the 2023-25 biennium new FTE pool                                    |            | 65,094              | 50,008             | 115,102            |
| Restores funding removed for the 2023-25 biennium vacant FTE pool                                 |            | 569,060             | 1,754,865          | 2,323,925          |
| Adds funding to expand support for domestic and sexual violence prevention                        |            | 0                   | 2,250,000          | 2,250,000          |
| Provides additional funding for domestic and sexual violence                                      |            | 1,700,000           | 0                  | 1,700,000          |
| Add funding for the Safe Haven program  |            | 440,000             | 0                  | 440,000            |
| Provides funding for vaccines for health care providers off federal contract                      |            | 0                   | 2,213,930          | 2,213,930          |
| Provides funding for forensic pathology contract services with UND                                |            | 2,866,156           | (1,000,000)        | 1,866,156          |
| Increases the food and lodging fees by an additional 7.5% for a total increase of 20%             |            | (71,298)            | 71,298             | 0                  |
| Add funding to increase the grant to the Family Voices program                                    |            | 100,000             | 0                  | 100,000            |
| Provides funding for a fetal alcohol spectrum disorder clinic at UND                              |            | <u>637,661</u>      | <u>0</u>           | <u>637,661</u>     |
| Total ongoing funding changes   | (215.5)    | (\$12,702,832)      | (\$26,001,591)     | (\$38,704,423)     |
| <b>One-time funding items:</b>  |            |                     |                    |                    |
| Adds funding to purchase nonfatal toxicology testing equipment                                    |            | \$151,500           | \$100,000          | \$251,500          |
| Adds funding for transition to the new state laboratory building                                  |            | 0                   | 2,962,304          | 2,962,304          |
| Provides funding to purchase forensic examiner electronic records system                          |            | 0                   | 278,000            | 278,000            |
| Adds funding for food and lodging management information system                                   |            | 0                   | 335,000            | 335,000            |
| Adds funding for licensure management system  |            | 0                   | 650,000            | 650,000            |
| Provides funding for the Cass County animal shelter   |            | 0                   | 300,000            | 300,000            |
| Provide funding for the statewide health strategies grant   |            | <u>0</u>            | <u>750,000</u>     | <u>750,000</u>     |
| Total one-time funding changes  | 0          | <u>\$151,500</u>    | <u>\$5,375,304</u> | <u>\$5,526,804</u> |
| Total changes to base level   | (215.5)    | (\$12,551,332)      | (\$20,626,287)     | (\$33,177,619)     |

**House Bill No. 1012 - Other Changes - House Action**

This amendment also:

- Creates a salaries and wages block grant and provides guidelines regarding the use of the block grant and reporting requirements.
- Identifies appropriations from the strategic investment and improvements fund, community health trust fund, opioid settlement fund, and human service finance fund.
- Provides guidelines for the use of funding provided for a behavioral health facility grant, a community cultural center grant, juvenile justice programs, an animal shelter grant, and a statewide health strategies initiative.
- Authorizes DHHS to obtain a \$130 million line of credit from the Bank of North Dakota for the State Hospital project.
- Continues the state health laboratory building project steering committee.
- Creates a new state hospital building steering committee.
- Authorizes capital payments for special assessment costs at the State Hospital, Southeast Human Service Center, and Life Skills and Transition Center.

- Authorizes DHHS to expend funds for capital projects at the State Hospital.
- Identifies \$4,672,536 from the general fund for permanent supportive housing grants.
- Provides that expenditures for the Medicaid Expansion program may not exceed legislative appropriations.
- Directs DHHS to continue the process of converting human service centers to certified community behavioral health clinics.
- Provides a moratorium on the number of licensed intermediate care facility beds for individuals with a developmental disability.
- Authorizes DHHS to continue certain unexpended appropriations from previous bienniums into the 2025-27 biennium.
- Provides intent that DHHS seeks a deficiency appropriation from the 70<sup>th</sup> Legislative Assembly if utilization rates exceed estimates.
- Identifies provider inflation increases of 2 percent per year included in the amendment.
- Provides intent that DHHS remove the requirement that developmental disability providers be accredited to receive payment.
- Provides an individual may not appeal a denial of services or payment under a program if certain federal funding is unavailable.
- Provides for DHHS to create a long-term structured residences plan.
- Amends Section 50-06-06.6 to allow land at the State Hospital and Life Skills and Transition Center to be leased for up to 99 years.
- Amends Section 50-06-42 to expand the use of the substance use disorder voucher program for individuals in jail or a treatment facility with more than 16 beds.
- Directs DHHS to collaborate with the Housing Finance Agency to assess the availability of housing for individuals requiring extraordinary health care support services.
- Provides for a Legislative Management study of student truancy and absenteeism.
- Provides for a Legislative Management study of obesity health implications.