



2025 SB 2029
House Human Services Committee
Representative Matthew Ruby, Chairman
March 10, 2025

Chairman Ruby and members of the House Human Services Committee, I am Melissa Hauer, General Counsel/VP of the North Dakota Hospital Association (NDHA). I testify in support of Senate Bill 2029 and ask that you give the bill a **Do Pass** recommendation.

Hospitals appreciate the Legislature's study of our state's guardianship system during the last interim and for introducing this bill. We also greatly appreciate the legislature's past funding of programs that support public guardianship programs.

There are three broad categories of guardians: family, professional, and public. A family guardian is one who is related to a ward by blood or marriage. A professional guardian is any guardian who receives compensation for services to more than two wards. A public guardian is a person or organization that provides guardianship services for an individual who is indigent and incapacitated and has no family or friend available to serve.

The guardianship process takes time and resources even when there is a family member or friend willing to serve as guardian. When a patient has no friend or family member to serve and cannot afford a private guardian, public guardianship often becomes the only option. With increasing frequency, hospitals encounter patients who need someone to make medical decisions for them, but because the patient does not have a power of attorney or any family or friend who are willing or able to make those decisions, the only resort is to ask a court to appoint a guardian. We believe this situation is only going to increase due to our aging population and more mobile society where people lose touch with family members who may live thousands of miles away. An adequately funded public guardian program is a crucial safety net for these patients.

Finding a public guardian and waiting for the process to be finalized for a hospital patient often delays discharge to a more appropriate level of care, runs up the cost of health care,

and creates challenges for hospitals to serve other patients. In 2023, the average direct cost for one unnecessary day in a North Dakota hospital was \$1,417. The burden of finding a guardian is frequently placed on the hospital in these situations and is especially challenging and time consuming when the incapacitated patient lacks a family member or friend willing to serve.

Once appointed by a court, a guardian must determine a discharge plan for the patient, identify an appropriate care setting, and ensure a payment source, which often requires paperwork, such as a Medicaid application. Each of these steps cause additional hospital discharge delays. Every medically unnecessary day poses risks to the patient and the health care system, such as delay of rehabilitation, unavailable bed space for other patients, an unnecessary workforce burden, and uncompensated cost to the hospital.

The six acute care PPS hospitals in North Dakota - which provide approximately 80% of the hospital care in the state - were surveyed recently regarding patients who experienced discharge delays waiting for guardianship after medical clearance. As you can see, some patients remain in the hospital for hundreds of days past when they could have been discharged just because they lack guardianship services. In 2023, there were at least 1,373 avoidable patient days in these six hospitals alone because the patient lacked a guardian. This represents approximately \$1,945,725 of cost to the North Dakota health care delivery system that could have been avoided. These funds could be used more productively to support the health and well-being of North Dakotans or lessen delays in the guardianship process.

2023 avoidable PPS hospital days waiting for a guardian		Cost¹
Hospital One	354 days	\$ 495,554
Hospital Two	216 days	\$ 306,379
Hospital Three	60 days	\$ 100,993
Hospital Four	393 days	\$ 577,364
Hospital Five	120 days	\$ 136,740
Hospital Six	230 days	\$ 328,695
TOTAL	1,373 days	\$1,945,725

¹ Source: Medicare Cost Report 2023 for room cost, nursing, and minimal supplies plus allocated overhead like plant operations, general administration and not including ancillary charges like pharmaceuticals, respiratory therapy, etc.

Establishing guardianship is a complex and time consuming challenge, especially when a patient has no friend or family member willing to serve as guardian, and it is complicated further by a lack of standardized processes and difficulty finding qualified public guardians. We feel that the creation of an Office of Guardianship and Conservatorship as provided in the bill would help alleviate these challenges. It would serve as a centralized point for guardianship and conservatorship services and provide a regulatory framework for, and funding of, public guardianship services for eligible individuals. The bill addresses the most difficult barriers in this process and allows vulnerable patients to be more efficiently connected to the services they greatly need.

In summary, we support passage of this bill and hope that you will give it a **Do Pass** recommendation.

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

Respectfully Submitted,

Melissa Hauer, General Counsel/VP
North Dakota Hospital Association