



Testimony in Support of House Bill 1623

Joint Appropriations Committee

January 21, 2026

Mr. Chairman and Members of the Committee,

My name is Stephanie Nelson, and I serve as the Chief Executive Officer of Anne Carlsen. I am honored to be here today in this new role, and I want to thank you for the opportunity to provide testimony in support of House Bill 1623.

About Anne Carlsen

Anne Carlsen has been serving individuals with intellectual and developmental disabilities and their families for nearly 85 years. Annually we provide programs, services, and supports to nearly 3,000 individuals based out of eight service locations and reaching people from 173 different North Dakota zip codes. Our work spans early intervention, residential services, education, therapy, behavioral health/autism services and complex medical care—often for children and young adults with some of the most significant medical and behavioral needs in the state.

House Bill 1623 is critically important to providers like Anne Carlsen. The Rural Health Transformation Program represents a meaningful investment in North Dakota's future—particularly in rural and frontier communities—by recognizing that sustainable access to care requires thoughtful alignment of licensure, workforce, infrastructure, and technology. This bill directly supports that vision.

Sustaining Care for Medically Complex Children at the Jamestown ICF

A major and ongoing need for Anne Carlsen continues to be our Intermediate Care Facility (ICF) in Jamestown, which serves children and adolescents with the most medically complex needs. As you may recall, during the 2025 legislative session, Anne Carlsen leadership provided testimony outlining the escalating operational and financial challenges of serving this population within the existing Developmental Disabilities system. The existing system simply did not support the type and level of care these children require.

That testimony emphasized the urgent need for sustainable funding methodologies that more accurately reflect the comprehensive, medically complex care being delivered. We are sincerely thankful for the Legislature's response through grant funding, which has provided critical stability, ensuring that services for medically complex children have remained uninterrupted while longer-term solutions are developed. The work we are doing today builds directly on that conversation and is designed to position Anne Carlsen for long-term sustainability.

Advancing Licensure and Scope Changes to Better Match Patient Needs

Central to this effort is our ongoing partnership with the North Dakota Department of Health and Human Services. Together, we have been actively exploring licensure and funding options that better align with the needs of those served at the Jamestown ICF. As part of this collaboration, the Department has recommended the addition of a Specialty Hospital licensure category for a portion of ICF beds. This change would allow reimbursement to more appropriately reflect the level of care required.

To share an update on our work since the session adjourned, Anne Carlsen has:

- Engaged a national firm to work alongside our team and the Department;
- Identified appropriate licensure and certification categories to better align with patient needs;
- Begun active work on rate methodology development; and
- Started planning for the next steps, including proposing rates, code requirements, and any necessary operational adjustments, such as waivers or targeted remodeling to support implementation

The progress made to date would not have been possible without the Legislature's investment and partnership.

Supporting Medically Complex Children Through Rural Health Transformation

House Bill 1623, through the Rural Health Transformation Program, can play a pivotal role in helping us move from planning to implementation. In particular, Initiative 3—*Bringing High-Quality Health Care Closer to Home*—is highly aligned with our needs. This initiative supports technical assistance for providers pursuing licensure or scope changes, remodeling and technology upgrades for facilities rightsizing services to meet current community needs, and modernization investments that reduce reliance on in-person workforce or support new billing pathways. Resources such as this would be transformative for our organization to successfully transition into a new licensure category.

Beyond our licensure change, several additional Rural Health Transformation initiatives would be of significant benefit to Anne Carlsen. Workforce challenges remain one of the greatest barriers to sustaining access in rural and tribal communities, and initiatives focused on improving retention are critical. Technology as an extender for rural providers is equally important. Investments in remote monitoring, smart technology, robotics, and artificial intelligence can reduce dependence on scarce physical workforce resources and allow professionals to focus on care that truly requires human intervention. Transportation is another persistent barrier. Subawards supporting accessible vans and non-emergency medical transportation would directly improve access for families traveling from rural areas to care delivery sites.

House Bill 1623 represents an important step toward a more responsive, integrated, and sustainable system of care in North Dakota. It recognizes that meeting the needs of our most vulnerable children requires alignment across licensure, workforce strategies, and infrastructure investment. Anne Carlsen remains deeply committed to working in partnership with state leaders to ensure children and families can access timely, high-quality services close to home.

Thank you again for your leadership, your investment, and your thoughtful consideration. I would be happy to answer any questions.

Respectfully submitted,

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