

25.0156.02028  
Title.  
Fiscal No. 6

Prepared by the Legislative Council  
staff for Senate Appropriations - Human  
Resources Division Committee  
April 14, 2025

Sixty-ninth  
Legislative Assembly  
of North Dakota

**PROPOSED AMENDMENTS TO  
FIRST ENGROSSMENT**

**ENGROSSED 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 create and enact a new section to chapter  
3 6-09 of the North Dakota Century Code, relating to an extraordinary medical needs housing  
4 loan fund; to amend and reenact sections 50-06-06.6, 50-06-42, 50-24.5-02.3, ~~and~~ 50-33-05,  
5 and subsection 1 of 50-36-03 of the North Dakota Century Code and subsection 6 of the new  
6 section to chapter 54-07 of the North Dakota Century Code created in section 1 of Senate Bill  
7 No. 2176, as approved by the sixty-ninth legislative assembly, relating to leases of department  
8 of health and human services property, substance use disorder treatment program, basic care  
9 payment rates, ~~and~~ state of residence for child care assistance, opioid settlement advisory  
10 committee, and children's cabinet; to provide for a transfer; to authorize a line of credit; to  
11 provide legislative intent; to provide for a legislative management study; to provide an  
12 application; to provide an exemption; to provide for a report; and to provide an effective date.

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

14 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds  
15 as may be necessary, are appropriated out of any moneys in the general fund in the state  
16 treasury, not otherwise appropriated, and from other funds derived from special funds and  
17 federal funds, to the department of health and human services for the purpose of defraying the  
18 expenses of its various divisions, for the biennium beginning July 1, 2025, and ending June 30,  
19 2027, as follows:

20 ~~— Subdivision 1.~~

SALARIES AND WAGES BLOCK GRANT			
		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
Salaries and wages block grant	\$0	\$596,284,775	\$596,284,775
Total all funds	0	596,284,775	596,284,775
Less other funds	0	286,720,150	286,720,150
Total general fund	\$0	\$309,564,625	\$309,564,625
Subdivision 2:			
BUSINESS OPERATIONS			
		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$25,763,358	(\$25,763,358)	\$0
Operating expenses	155,308,399	(77,023,770)	78,284,629
Capital assets	108,934	(108,934)	0
Grants	11,812,627	6,966,375	18,779,002
Total all funds	\$192,993,318	(\$95,929,687)	\$97,063,631
Less other funds	118,894,310	(71,526,221)	47,368,089
Total general fund	\$74,099,008	(\$24,403,466)	\$49,695,542
Subdivision 3:			
BEHAVIORAL HEALTH			
		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$8,792,675	(\$8,792,675)	\$0
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 other funds	113,955,941	285,267,537	399,223,478
Total general fund	\$307,905,408	(\$126,208,283)	\$181,697,125

Sixty-ninth  
Legislative Assembly

1 ~~Subdivision 4.~~

2 HUMAN SERVICES

3	<del>Adjustments or</del>			
4	<del>Base Level</del>	<del>Enhancements</del>	<del>Appropriation</del>	
5	Salaries and wages	\$168,325,918	(\$168,325,918)	\$0
6	Operating expenses	88,885,469	108,258,236	197,143,705
7	Capital assets	10,000	0	10,000
8	Grants	621,189,007	94,393,260	715,582,267
9	Life skills and transition center	44,992,263	(29,784,605)	15,207,658
10	Grants - medical assistance	742,793,564	7,655,079	750,448,643
11	County social services	<u>197,663,661</u>	<u>6,928,621</u>	<u>204,592,282</u>
12	Total all funds	\$1,863,859,882	\$19,124,673	\$1,882,984,555
13	Less other funds	<u>1,240,409,529</u>	<u>(13,961,485)</u>	<u>1,226,448,044</u>
14	Total general fund	\$623,450,353	\$33,086,158	\$656,536,511

15 ~~Subdivision 5.~~

16 MEDICAL SERVICES

17	<del>Adjustments or</del>			
18	<del>Base Level</del>	<del>Enhancements</del>	<del>Appropriation</del>	
19	Salaries and wages	\$21,008,344	(\$21,008,344)	\$0
20	Operating expenses	70,807,977	92,364,562	163,172,539
21	Grants	1,651,004	1,806,800	3,457,804
22	Grants - medical assistance	<u>2,682,778,803</u>	<u>6,500,467</u>	<u>2,689,279,270</u>
23	Total all funds	\$2,776,246,128	\$79,663,485	\$2,855,909,613
24	Less other funds	<u>1,818,029,530</u>	<u>(7,372,459)</u>	<u>1,810,657,071</u>
25	Total general fund	\$958,216,598	\$87,035,944	\$1,045,252,542

26 ~~Subdivision 6.~~

27 PUBLIC HEALTH

28	<del>Adjustments or</del>			
29	<del>Base Level</del>	<del>Enhancements</del>	<del>Appropriation</del>	
30	Salaries and wages	\$60,415,388	(\$60,415,388)	\$0
31	Operating expenses	37,721,213	17,853,669	55,574,882

Sixty-ninth  
Legislative Assembly

1	Capital assets	1,469,780	2,215,838	3,685,618
2	Grants	81,718,145	4,245,496	85,963,641
3	Tobacco prevention	13,063,162	(22,607)	13,040,555
4	Women, infants, and children	19,900,000	1,100,000	21,000,000
5	—food payments			
6	Cares Act/COVID-19	83,909,182	1,845,373	85,754,555
7	Total all funds	\$298,196,870	(\$33,177,619)	\$265,019,251
8	Less other funds	250,440,690	(20,626,287)	229,814,403
9	Total general fund	\$47,756,180	(\$12,551,332)	\$35,204,848

10 — Subdivision 7.

11 TOTAL SECTION 1

12 — Adjustments or —

13 — Base Level — Enhancements — Appropriation

14 Grand total all funds ~~\$5,553,157,547~~ ~~\$725,024,881~~ ~~\$6,278,182,428~~

15 Grand total other funds ~~3,541,730,000~~ ~~458,501,235~~ ~~4,000,231,235~~

16 Grand total general fund ~~\$2,011,427,547~~ ~~\$266,523,646~~ ~~\$2,277,951,193~~

17 Full-time equivalent positions ~~2,483.83~~ ~~204.52~~ ~~2,688.35~~

18 Subdivision 1.

19 SALARIES AND WAGES BLOCK GRANT

20		Adjustments or		
21		Base Level	Enhancements	Appropriation
22	Salaries and wages block grant	\$0	\$619,977,466	\$619,977,466
23	Total all funds	0	619,977,466	619,977,466
24	Less other funds	0	291,449,112	291,449,112
25	Total general fund	\$0	\$328,528,354	\$328,528,354

26 Subdivision 2.

27 BUSINESS OPERATIONS

28		Adjustments or		
29		Base Level	Enhancements	Appropriation
30	Salaries and wages	\$25,763,358	(\$25,763,358)	\$0
31	Operating expenses	155,308,399	(77,023,770)	78,284,629

Sixty-ninth  
Legislative Assembly

1	Capital assets	108,934	(108,934)	0
2	Grants	11,812,627	6,966,375	18,779,002
3	Total all funds	\$192,993,318	(\$95,929,687)	\$97,063,631
4	Less other funds	118,894,310	(71,526,221)	47,368,089
5	Total general fund	\$74,099,008	(\$24,403,466)	\$49,695,542

6 Subdivision 3.

7 BEHAVIORAL HEALTH

8		<u>Adjustments or</u>		
9		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
10	Salaries and wages	\$8,792,675	(\$8,792,675)	\$0
11	Operating expenses	79,381,458	23,789,660	103,171,118
12	Grants	40,476,298	9,179,322	49,655,620
13	Behavioral health clinics	196,383,945	(139,438,537)	56,945,408
14	State hospital	94,826,973	(73,946,818)	20,880,155
15	Opioid addiction prevention	2,000,000	6,000,000	8,000,000
16	Total all funds	\$421,861,349	(\$183,209,048)	\$238,652,301
17	Less other funds	113,955,941	(47,060,463)	66,895,478
18	Total general fund	\$307,905,408	(\$136,148,585)	\$171,756,823

19 Subdivision 4.

20 HUMAN SERVICES

21		<u>Adjustments or</u>		
22		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
23	Salaries and wages	\$168,325,918	(\$168,325,918)	\$0
24	Operating expenses	88,885,469	109,950,106	198,835,575
25	Capital assets	10,000	0	10,000
26	Grants	621,189,007	67,250,145	688,439,152
27	Life skills and transition center	44,992,263	(29,784,605)	15,207,658
28	Grants - medical assistance	742,793,564	7,655,079	750,448,643
29	County social services	197,663,661	6,928,621	204,592,282
30	Total all funds	\$1,863,859,882	(\$6,326,572)	\$1,857,533,310

Sixty-ninth  
Legislative Assembly

1	<u>Less other funds</u>	1,240,409,529	(24,088,934)	1,216,320,595
2	<u>Total general fund</u>	\$623,450,353	\$17,762,362	\$641,212,715
3	<u>Subdivision 5.</u>			
4		<u>MEDICAL SERVICES</u>		
5			<u>Adjustments or</u>	
6		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
7	<u>Salaries and wages</u>	\$21,008,344	(\$21,008,344)	\$0
8	<u>Operating expenses</u>	70,807,977	92,364,562	163,172,539
9	<u>Grants</u>	1,651,004	1,006,800	2,657,804
10	<u>Grants - medical assistance</u>	2,682,778,803	(8,320,037)	2,674,458,766
11	<u>Total all funds</u>	\$2,776,246,128	\$64,042,981	\$2,840,289,109
12	<u>Less other funds</u>	1,818,029,530	(8,809,057)	1,809,220,473
13	<u>Total general fund</u>	\$958,216,598	\$72,852,038	\$1,031,068,636
14	<u>Subdivision 6.</u>			
15		<u>PUBLIC HEALTH</u>		
16			<u>Adjustments or</u>	
17		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
18	<u>Salaries and wages</u>	\$60,415,388	(\$60,415,388)	\$0
19	<u>Operating expenses</u>	37,721,213	(31,434,070)	6,287,143
20	<u>Capital assets</u>	1,469,780	1,287,838	2,757,618
21	<u>Grants</u>	81,718,145	(11,577,165)	70,140,980
22	<u>Tobacco prevention</u>	13,063,162	(22,607)	13,040,555
23	<u>Women, infants, and children</u>	19,900,000	1,100,000	21,000,000
24	<u>food payments</u>			
25	<u>Cares Act/COVID-19</u>	83,909,182	1,845,373	85,754,555
26	<u>Total all funds</u>	\$298,196,870	(\$99,216,019)	\$198,980,851
27	<u>Less other funds</u>	250,440,690	(83,320,870)	167,119,820
28	<u>Total general fund</u>	\$47,756,180	(\$15,895,149)	\$31,861,031
29	<u>Subdivision 7.</u>			
30		<u>TOTAL - SECTION 1</u>		

	Adjustments or		
	Base Level	Enhancements	Appropriation
1 <u>Grand total all funds</u>	\$5,553,157,547	\$299,339,121	\$5,852,496,668
2 <u>Grand total other funds</u>	3,541,730,000	56,643,567	3,598,373,567
3 <u>Grand total general fund</u>	\$2,011,427,547	\$242,695,554	\$2,254,123,101
4 <u>Full-time equivalent positions</u>	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>
12 <del>Technology projects</del>	<del>\$0</del>	<del>\$10,263,000</del>	<del>\$10,263,000</del>
13 <del>Human service centers and life skills</del>	<del>0</del>	<del>1,052,480</del>	<del>1,052,480</del>
14 <del>and transition center projects</del>			
15 <del>Retire mainframe</del>	<del>0</del>	<del>15,000,000</del>	<del>15,000,000</del>
16 <del>Child care programs</del>	<del>13,272,500</del>	<del>0</del>	<del>13,272,500</del>
17 <del>Housing programs</del>	<del>0</del>	<del>1,000,000</del>	<del>1,000,000</del>
18 <del>State laboratory move and equipment</del>	<del>0</del>	<del>2,962,304</del>	<del>2,962,304</del>
19 <del>Partial hospitalization day treatment</del>	<del>0</del>	<del>2,000,000</del>	<del>2,000,000</del>
20 <del>Developmental disabilities eligibility</del>	<del>200,000</del>	<del>200,000</del>	<del>400,000</del>
21 <del>assessment tool for kids</del>			
22 <del>Toxicology equipment</del>	<del>151,500</del>	<del>100,000</del>	<del>251,500</del>
23 <del>New state hospital</del>	<del>0</del>	<del>330,000,000</del>	<del>330,000,000</del>
24 <del>Behavioral health facility grant</del>	<del>0</del>	<del>12,960,000</del>	<del>12,960,000</del>
25 <del>Cultural community center grant</del>	<del>0</del>	<del>1,000,000</del>	<del>1,000,000</del>
26 <del>Adaptive recreation grant</del>	<del>200,000</del>	<del>0</del>	<del>200,000</del>
27 <del>Intermediate care facility grant</del>	<del>3,457,736</del>	<del>0</del>	<del>3,457,736</del>
28 <del>Juvenile justice diversion services</del>	<del>750,000</del>	<del>0</del>	<del>750,000</del>
29 <del>Animal shelter grant</del>	<del>0</del>	<del>300,000</del>	<del>300,000</del>
30 <del>Statewide health strategies</del>	<del>0</del>	<del>750,000</del>	<del>750,000</del>

Sixty-ninth  
Legislative Assembly

1	<del>Critical access hospital networking</del>	<del>0</del>	<del>2,000,000</del>	<del>2,000,000</del>
2	<del>Total</del>	<del>\$18,031,736</del>	<del>\$379,587,784</del>	<del>\$397,619,520</del>
3	<u>One-Time Funding Description</u>	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
4	<u>Technology projects</u>	<u>\$0</u>	<u>\$4,548,930</u>	<u>\$4,548,930</u>
5	<u>Human service centers and life skills</u>	<u>0</u>	<u>1,684,480</u>	<u>1,684,480</u>
6	<u>and transition center projects</u>			
7	<u>Retire mainframe</u>	<u>0</u>	<u>15,000,000</u>	<u>15,000,000</u>
8	<u>Child care programs</u>	<u>9,272,500</u>	<u>0</u>	<u>9,272,500</u>
9	<u>Housing programs</u>	<u>0</u>	<u>2,500,000</u>	<u>2,500,000</u>
10	<u>State laboratory move and equipment</u>	<u>0</u>	<u>2,962,304</u>	<u>2,962,304</u>
11	<u>Partial hospitalization day treatment</u>	<u>0</u>	<u>2,000,000</u>	<u>2,000,000</u>
12	<u>Developmental disabilities eligibility</u>	<u>200,000</u>	<u>200,000</u>	<u>400,000</u>
13	<u>assessment tool for kids</u>			
14	<u>Toxicology equipment</u>	<u>151,500</u>	<u>100,000</u>	<u>251,500</u>
15	<u>Behavioral health facility grant</u>	<u>0</u>	<u>5,000,000</u>	<u>5,000,000</u>
16	<u>Cultural community center grant</u>	<u>0</u>	<u>300,000</u>	<u>300,000</u>
17	<u>Intermediate care facility grant</u>	<u>0</u>	<u>4,400,000</u>	<u>4,400,000</u>
18	<u>Juvenile justice diversion services</u>	<u>0</u>	<u>500,000</u>	<u>500,000</u>
19	<u>Critical access hospital networking</u>	<u>0</u>	<u>1,000,000</u>	<u>1,000,000</u>
20	<u>Basic care \$5 daily rate</u>	<u>4,067,056</u>	<u>1,474,184</u>	<u>5,541,240</u>
21	<u>Infant and toddler care provider support</u>	<u>13,500,000</u>	<u>0</u>	<u>13,500,000</u>
22	<u>Child welfare technology project line</u>	<u>0</u>	<u>8,411,218</u>	<u>8,411,218</u>
23	<u>of credit</u>			
24	<u>Medical housing for individuals</u>	<u>200,000</u>	<u>0</u>	<u>200,000</u>
25	<u>with extraordinary medical needs</u>			
26	<u>Total</u>	<u>\$27,391,056</u>	<u>\$50,081,116</u>	<u>\$77,472,172</u>

**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, 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



1 July 1, 2025, and ending June 30, 2027, as requested by the department of health and human  
2 services. The department of health and human services shall notify the legislative council of any  
3 transfer made pursuant to this section. The department of health and human services shall  
4 report to the budget section after June 30, 2026, any transfer made in excess of \$50,000 and to  
5 the appropriations committees of the seventieth legislative assembly regarding any transfers  
6 made pursuant to this section.

7 **SECTION 4. FULL-TIME EQUIVALENT POSITION BLOCK GRANT PROGRAM -**

8 **REPORT.** Section 1 of this Act includes funding for a full-time equivalent position block grant  
9 program. This funding as approved by the sixty-ninth legislative assembly is available for  
10 defraying the expense of full-time equivalent positions as determined by the department of  
11 health and human services. Notwithstanding any other provision of law, the department is  
12 authorized to increase or decrease authorized full-time equivalent positions subject to the  
13 availability of funds and the provisions of this section. The department of health and human  
14 services may not increase full-time equivalent positions for the purpose of transferring human  
15 service zone employees to state employment. Pursuant to section 3 of this Act, the department  
16 is authorized to transfer appropriation authority of up to the underfunded amount of  
17 ~~\$30,000,000~~ \$6,307,309 to the salaries and wages block grant line item. The department of  
18 health and human services shall report to the office of management and budget and legislative  
19 council any adjustments to full-time equivalent positions.

20 **SECTION 5. DEPARTMENT OF HEALTH AND HUMAN SERVICES - SALARIES AND**

21 **WAGES BLOCK GRANT - VACANT POSITIONS - REPORT.** The department of health and  
22 human services shall report to the budget section quarterly during the 2025-26 interim regarding  
23 the status of its salaries and wages block grant and vacant positions and employee turnover.

24 The report must include:

- 25 1. The legislative appropriation for salaries and wages allocated by the department to  
26 major department programs by funding source and the number of FTE positions the  
27 department is allocating to each major program based on the legislative appropriation;
- 28 2. Any changes to salaries and wages funding or FTE positions allocated to major  
29 department programs;

- 1 3. Any new FTE positions added, the cost of the position for the remainder of the
- 2 biennium, and the cost to continue funding the position in the subsequent biennium by
- 3 funding source;
- 4 4. Any FTE positions removed and related funding;
- 5 5. The number of FTE positions that become vacant and the number filled each month;
- 6 6. The number of vacant FTE positions at the end of each month;
- 7 7. Salaries and wages savings resulting from vacant positions and employee turnover
- 8 each month by funding source; and
- 9 8. The use of salaries and wages savings for other purposes for each month by funding
- 10 source.

11 **SECTION 6. BEHAVIORAL HEALTH FACILITY GRANT - STRATEGIC INVESTMENT**  
12 **AND IMPROVEMENTS FUND - APPLICATION.**

- 13 1. Section 1 of this Act includes the sum of ~~\$12,960,000~~\$5,000,000 from the strategic
- 14 investment and improvements fund for a behavioral health facility grant pursuant to
- 15 this section.
- 16 ~~2. A grant of \$12,960,000 must be provided to establish a behavioral health facility in the~~
- 17 ~~northeast human service region. The grant recipient must provide matching funds of~~
- 18 ~~\$3,240,000 to establish the facility.~~
- 19 3.2. The department shall require an entity receiving funding under this section to operate
- 20 the facility for at least ten years and require the grant amount to be repaid if the entity
- 21 does not operate the facility for at least ten years.
- 22 4.3. The requirements of chapter 54-44.4 do not apply to the selection of a grant recipient,
- 23 the grant award, or payments made under this section.

24 **SECTION 7. INFANT AND TODDLER CARE PROVIDER SUPPORT DIRECT PAYMENT -**  
25 **ONE-TIME - REPORT.** Section 1 of this Act includes the sum of \$13,500,000 of one-time  
26 funding from the general fund for direct payments to licensed child care providers to support  
27 high-quality early childhood care for infants and toddlers. The department shall administer the  
28 direct payment program and include the following provisions:

- 29 1. To qualify for a direct payment under this section, a direct payment recipient must:  
30 a. Be a licensed child care facility within the state of North Dakota;

- 1           b. Be enrolled in the state's bright and early quality rating system at a two-star,
- 2           three-star, or four-star rating level; and
- 3           c. Provide care for children from birth through three years of age.
- 4           2. Eligible providers may receive up to \$300 per month for each child from birth through
- 5           seventeen months of age and up to \$180 per month for each child from eighteen
- 6           through thirty-six months of age.
- 7           3. The department shall distribute the direct payments on a quarterly basis. Direct
- 8           payments may not be used for non-child care-related expenses or debt repayment.
- 9           4. Direct payment recipients shall submit annual reports to the department detailing fund
- 10          usage, enrollment statistics, and other information requested by the department.
- 11          5. The department shall provide reports to the legislative management and to the
- 12          appropriations committees of the seventieth legislative assembly on direct payments
- 13          and the effectiveness of the program.

14           **SECTION 8. INTERMEDIATE CARE FACILITY MEDICALLY AND BEHAVIORALLY**

15 **COMPLEX SERVICES GRANT - APPLICATION.** Section 1 of this Act includes the sum of

16 \$4,400,000 of one-time funding from the community health trust fund for providing a one-time

17 grant to a licensed intermediate care facility in the south central human service region for

18 providing services to children or young adults with medically and behaviorally complex

19 conditions. To be eligible to receive the grant under this section, a licensed intermediate care

20 facility must provide early intervention, clinical, and residential services, provide community and

21 home support, education, recreation and leisure activities, and assistive technology; and

22 provide services in at least eight communities for individuals with intellectual or developmental

23 disabilities. The grant funds awarded may be used only for the costs of providing services to

24 children and young adults with medically and behaviorally complex conditions. The

25 requirements of chapter 54-44.4 do not apply to the selection of a grant recipient, the grant

26 award, or payments made under this section.

27           **SECTION 9. SPECIAL HEALTH CARE NEEDS GRANT - APPLICATION.** Section 1

28 of this Act includes the sum of \$50,000 from the general fund for providing a grant to a provider

29 in the south central human service region for statewide education, information, training, and

30 peer support to families with children with special health care needs, medically complex

1 conditions, or a disability. The requirements of chapter 54-44.4 do not apply to the selection of a  
2 grant recipient, the grant award, or payments made under this section.

3 **SECTION 10. CRISIS SERVICES GRANTS - APPLICATION.** Section 1 of this Act includes  
4 the sum of \$585,000 from the general fund for providing crisis services grants. The grants  
5 include the sum of \$300,000 for crisis organizations that provide crisis services to young adults  
6 who are at risk of being homeless or experiencing other serious adverse life events and the  
7 sum of \$285,000 to a volunteer-based ecumenical ministry organization. The requirements of  
8 chapter 54-44.4 do not apply to the selection of a grant recipient, the grant award, or payments  
9 made under this section.

10 **SECTION 11. MEDICAL HOUSING FOR INDIVIDUALS WITH EXTRAORDINARY**  
11 **MEDICAL NEEDS - ONE-TIME FUNDING.**

- 12 1. Section 1 of this Act includes the sum of \$200,000 from the general fund for the  
13 preliminary design consultation and project administration of developing housing for  
14 individuals with disabilities that have extraordinary medical needs and for rent  
15 subsidies for individuals residing in these housing facilities, for the biennium beginning  
16 July 1, 2025, and ending June 30, 2027.
- 17 2. The department of health and human services shall collaborate with the North Dakota  
18 housing finance agency, individuals with disabilities, caregivers, and families to solicit  
19 proposals for the development of accessible housing for individuals with disabilities  
20 that have extraordinary medical needs, for the biennium beginning July 1, 2025, and  
21 ending June 30, 2027. The department shall solicit proposals from public entities,  
22 for-profit organizations, and nonprofit organizations to design, construct, maintain, and  
23 operate the housing facility. Proposals must:
- 24 a. Ensure that services in the facility may be provided separately from the facility  
25 ownership interests;
- 26 b. Ensure that individuals residing in the facility may choose among independent  
27 living service providers; and
- 28 c. Comply with the federal home and community-based settings rules as defined  
29 under 42 CFR 441.301(c)(4).

30 **SECTION 12. COMMUNITY CULTURAL CENTER GRANT - STRATEGIC INVESTMENT**  
31 **AND IMPROVEMENTS FUND - APPLICATION.** Section 1 of this Act includes the sum of

1 ~~\$1,000,000~~\$300,000 from the strategic investment and improvements fund for the purpose of  
2 providing a one-time community cultural center programming grant in the west central human  
3 service region. An entity may apply for a grant under this section if the entity certifies to the  
4 department ~~it has secured at least fifty percent of funds needed to complete the project, the~~  
5 ~~project will be completed within two years of receiving the grant funds, and the grants funds will~~  
6 ~~be used only for costs of constructing a~~the funds will be used for programs within the  
7 community cultural center. The requirements of chapter 54-44.4 do not apply to the selection of  
8 a grant recipient, the grant award, or payments made under this section.

9 **SECTION 13. JUVENILE JUSTICE DIVERSION SERVICES AND PROGRAMS - TASK**  
10 **FORCE - REPORT.** Section 1 of this Act includes the sum of ~~\$750,000~~ \$500,000 of one-time  
11 funding from the ~~general~~community health trust fund for juvenile justice diversion services and  
12 programs. The department of health and human services must use the funding for services to  
13 youth at risk of juvenile justice involvement but who have not committed delinquent acts as  
14 defined in chapter 27-20.4.

15 The department shall establish a task force with representation from divisions in the  
16 department, human service zones, the department of public instruction, elementary and  
17 secondary schools, and members of the legislative assembly, to review juvenile justice diversion  
18 services and program. The department shall report its findings and recommendations to the  
19 legislative management and children's cabinet.

20 ~~**SECTION 9. ANIMAL SHELTER GRANT - COMMUNITY HEALTH TRUST FUND.**~~  
21 ~~Section 1 of this Act includes the sum of \$300,000 from the community health trust fund for a~~  
22 ~~grant for the construction of an animal shelter. The department of health and human services~~  
23 ~~may award a grant for the construction of an animal shelter to an organization that provides~~  
24 ~~twenty dollars of nonstate matching funds for every dollar of grant funds received. The~~  
25 ~~requirements of chapter 54-44.4 do not apply to the selection of a grant recipient, the grant~~  
26 ~~award, or payments made under this section.~~

27 ~~**SECTION 10. STATEWIDE HEALTH STRATEGIES - COMMUNITY HEALTH TRUST**~~  
28 ~~**FUND.** Section 1 of this Act includes the sum of \$750,000 of one-time funding from the~~  
29 ~~community health trust fund for the statewide health strategies initiative. The department of~~  
30 ~~health and human services may spend the funding upon securing dollar for dollar matching~~  
31 ~~funds.~~

1       **SECTION 14. OTHER FUNDS - INSURANCE TAX DISTRIBUTION FUND.** The other  
2 funds line item in subdivision 5 of section 1 of this Act includes the sum of \$1,125,000 from the  
3 insurance tax distribution fund for rural emergency medical services grants.

4       **SECTION 15. OTHER FUNDS - COMMUNITY HEALTH TRUST FUND.** The other funds  
5 line items in section 1 of this Act includes the sum of ~~\$38,713,522~~\$41,431,522 from the  
6 community health trust fund for the following purposes:

7	Loan repayment programs	\$594,500
8	<del>Tobacco and vaping programs</del>	<del>11,599,698</del>
9	<u>Tobacco prevention and control grants to local public health units</u>	<u>6,250,000</u>
10	<u>Tobacco prevention and control</u>	<u>4,549,698</u>
11	<u>Tobacco cessation grants</u>	<u>500,000</u>
12	<u>Youth vaping prevention grants</u>	<u>300,000</u>
13	Cancer and women's way programs	909,824
14	Behavior risk state survey	200,000
15	<u>Youth crisis stabilization</u>	<u>1,500,000</u>
16	<u>Intermediate care facility grant</u>	<u>4,400,000</u>
17	Domestic violence programs	4,250,000
18	Local public health grants	3,275,000
19	988 crisis hotline	1,867,500
20	<del>Various information technology system upgrades</del>	<del>2,967,000</del>
21	<u>Various information technology system upgrades</u>	<u>1,335,000</u>
22	Grants to rural ambulances	7,000,000
23	Law enforcement rural crisis support program	1,000,000
24	Development of partial hospitalization/intensive day treatment	2,000,000
25	<u>Juveline justice services</u>	<u>500,000</u>
26	<del>Critical access hospital networking</del>	<del>2,000,000</del>
27	<u>Critical access hospital networking</u>	<u>1,000,000</u>
28	<del>Animal shelter grant</del>	<del>300,000</del>
29	<del>Statewide health strategies</del>	<del>750,000</del>
30	<del>Total</del>	<del>\$38,713,522</del>
31	<u>Total</u>	<u>\$41,431,522</u>

1       **SECTION 16. OTHER FUNDS - HUMAN SERVICE FINANCE FUND.** The other funds line  
2 items in section 1 of this Act includes the sum of ~~\$239,112,030~~\$242,112,030 from the human  
3 service finance fund for state-paid economic assistance and social and human services.

4       **SECTION 17. OTHER FUNDS - OPIOID SETTLEMENT FUND.** The other funds line item in  
5 section 1 of this Act includes the sum of \$8,000,000 from the opioid settlement fund for opioid  
6 remediation and abatement efforts.

7       **SECTION 18. OTHER FUNDS - STRATEGIC INVESTMENT AND IMPROVEMENTS**

8 **FUND** The other funds line items in section 1 of this Act includes the sum of  
9 ~~\$227,474,784~~\$18,446,784 from the strategic investment and improvements fund for the  
10 following purposes:

11	<del>Retiring technology from the mainframe</del>	<del>\$7,500,000</del>
12	<del>Move into the new state laboratory and purchase security equipment</del>	<del>2,962,304</del>
13	<del>Capital projects in human service centers and life skills and transition center</del>	<del>1,052,480</del>
14	<del>Housing initiative programs</del>	<del>1,000,000</del>
15	<del>Technology projects at the state hospital</del>	<del>1,000,000</del>
16	<del>New state hospital</del>	<del>200,000,000</del>
17	<del>Behavioral health facility grant</del>	<del>12,960,000</del>
18	<del>Community cultural center grant</del>	<del>1,000,000</del>
19	<del>Total</del>	<del>\$227,474,784</del>
20	<u>Retiring technology from the mainframe</u>	<u>\$5,000,000</u>
21	<u>New state laboratory move-in costs and security equipment purchases</u>	<u>2,962,304</u>
22	<u>Capital projects in certified community behavioral health clinics</u>	<u>1,684,480</u>
23	<u>and life skills and transition center</u>	
24	<u>Housing initiative programs</u>	<u>2,500,000</u>
25	<u>Technology projects at the state hospital</u>	<u>1,000,000</u>
26	<u>Behavioral health facility grant</u>	<u>5,000,000</u>
27	<u>Community cultural center grant</u>	<u>300,000</u>
28	<u>Total</u>	<u>\$18,446,784</u>

29       **SECTION 19. OTHER FUNDS - BANK OF NORTH DAKOTA LINE OF CREDIT - STATE-**  
30 ~~HOSPITAL~~**CHILD WELFARE TECHNOLOGY PROJECT.** The other funds line item in  
31 subdivision 2 of section 1 of this Act includes ~~\$130,000,000~~the sum of \$8,411,218 from a Bank

1 of North Dakota line of credit. The department of health and human services may borrow up to  
2 ~~\$130,000,000~~\$8,411,218 through a line of credit from the Bank of North Dakota during the  
3 biennium beginning July 1, 2025, and ending June 30, 2027, for costs associated with ~~the~~  
4 ~~construction of a new state hospital~~a child welfare technology project. The interest rate on the  
5 line of credit may not exceed the prevailing interest rate charged to North Dakota governmental  
6 entities. If the department accesses the line of credit, it shall request a deficiency appropriation  
7 from the seventieth legislative assembly to repay the line of credit.

8 **SECTION 20. LABORATORY BUILDING STEERING COMMITTEE.** The department of  
9 health and human services shall maintain the laboratory building steering committee to oversee  
10 the design and construction of the laboratory building project, for the biennium beginning July 1,  
11 2025, and ending June 30, 2027, or until work is completed, whichever occurs earlier. The  
12 committee must include representation from the department of health and human services,  
13 department of environmental quality, office of management and budget, the governor's office,  
14 and the legislative assembly. The legislative assembly representation must include one member  
15 of the senate appointed by the senate majority leader, one member of the house appointed by  
16 the house majority leader, and one member of the minority party from either the senate or the  
17 house appointed by the minority leaders of the senate and the house.

18 **SECTION 21. NEW STATE HOSPITAL - STEERING COMMITTEE.** The department of  
19 health and human services shall establish a new state hospital facility steering committee to  
20 oversee the design and construction of a new state hospital facility, for the biennium beginning  
21 July 1, 2025, and ending June 30, 2027. The committee must include representation from the  
22 department of health and human services, office of management and budget, the governor's  
23 office, and the legislative assembly. The legislative assembly representation must include one  
24 member of the senate appointed by the senate majority leader, one member of the house  
25 appointed by the house majority leader, and one member of the minority party from either the  
26 senate or the house appointed by the minority leaders of the senate and the house.

27 **SECTION 22. CAPITAL PAYMENTS.** During the biennium beginning July 1, 2025, and  
28 ending June 30, 2027, the department of health and human services is authorized to expend  
29 funds for the payment of special assessments at the state hospital, southeast human service  
30 center, and life skills and transition center. Pursuant to section 3 of this Act, the director of the  
31 office of management and budget may transfer appropriation authority between line items within



1 section 1 of this Act and any remaining appropriation authority for the department of health and  
2 human services approved by the sixty-ninth legislative assembly. The department of health and  
3 human services may transfer funds for the payment of special assessments at the state  
4 hospital, southeast human service center, and life skills and transition center ahead of the  
5 special needs assessments schedule. Notwithstanding section 54-27-12, the department of  
6 health and human services may spend funds for the payment of special assessments at the  
7 state hospital and life skills and transition center.

8 **SECTION 23. CAPITAL PROJECTS - EMERGENCY COMMISSION AND BUDGET**

9 **SECTION APPROVAL.** During the biennium beginning July 1, 2025, and ending June 30, 2027,  
10 pursuant to section 3 of this Act, the director of the office of management and budget may  
11 transfer appropriation authority between line items within section 1 of this Act and any remaining  
12 appropriation authority for the department of health and human services approved by the sixty-  
13 ninth legislative assembly for capital projects and maintenance pertaining to operation of its  
14 facilities, including demolition projects. Notwithstanding section 54-27-12, the department of  
15 health and human services may spend up to \$10,000,000 for capital projects and maintenance  
16 pertaining to operation of its facilities, including demolition projects, under this section and may  
17 seek emergency commission and budget section approval to spend more than \$10,000,000  
18 under this section.

19 **SECTION 24. PERMANENT SUPPORTIVE HOUSING GRANTS.** Section 1 of this Act  
20 includes the sum of \$4,672,536 from the general fund for permanent supportive housing grants.  
21 The department of health and human services shall develop a funding methodology to distribute  
22 the funding to qualified entities that utilize best practices for permanent supportive housing,  
23 provide recovery-oriented and person-centered services, submit process and outcome  
24 measures to the department of health and human services, and authorize the department of  
25 health and human services to conduct onsite visits to review program operations.

26 **SECTION 25. EXPENDITURES MAY NOT EXCEED APPROPRIATION - MEDICAL**  
27 **ASSISTANCE EXPANSION PROGRAM - APPLICATION.**

28 1. Section 1 of this Act includes the sum of \$662,099,340, of which \$66,209,934 is from  
29 the general fund, for the medical assistance expansion program, for the biennium  
30 beginning July 1, 2025, and ending June 30, 2027. The expenditures for individuals  
31 eligible for the medical assistance expansion program may not exceed this amount.

- 1       2.   The department of health and human services may exceed appropriations for  
2       increases in medical assistance expansion program caseload, for the addition of  
3       coverage consistent with the traditional Medicaid 1915(i) state plan, utilization rates,  
4       and reduction in federal medical assistance percentage.
- 5       3.   The managed care organization under contract with the department of health and  
6       human services to manage the medical assistance expansion program shall reimburse  
7       providers within the same provider type and specialty at consistent levels and with  
8       consistent methodology and may not provide incentive, quality, or supplemental  
9       payments to providers, unless part of a value-based program approved by the  
10      department of health and human services. The managed care organization shall  
11      reimburse all North Dakota substance use providers of American society of addiction  
12      medicine level 2.5 at consistent levels and with consistent methodology. The managed  
13      care organization may consider urban and rural providers as different provider types.
- 14      4.   The managed care organization and the department of health and human services  
15      shall ensure payments to Indian or Tribal 638 health care providers, federally qualified  
16      health centers, and rural health clinics meet the federally required minimum levels of  
17      reimbursement. Critical access hospitals may not be paid less than one hundred  
18      percent of Medicare allowable costs and human service centers may not be paid less  
19      than one hundred percent of the current traditional Medicaid rate. Behavioral health  
20      services involving partial hospitalization, intensive outpatient, professional services,  
21      and residential behavioral health services provided in facilities that are not institutions  
22      for mental diseases are not subject to the provisions in subsection 6.
- 23      5.   The department of health and human services shall ensure providers within the same  
24      provider type and specialty are reimbursed at consistent levels and with consistent  
25      methodology and shall ensure the capitation rates under risk contracts are actuarially  
26      sound and are adequate to meet managed care organization contractual requirements  
27      regarding availability of services, assurance or adequate capacity and services, and  
28      coordination and continuity of care.
- 29      6.   Except for the provisions in subsection 4, managed care organization premium  
30      payments must be built using the assumption that rates paid to providers under the

1 medical assistance expansion program may not exceed one hundred forty-five percent  
2 of Medicare reimbursement rates paid to providers on January 1, 2025.

3 **SECTION 26. HUMAN SERVICE CENTERS - CERTIFIED COMMUNITY BEHAVIORAL**  
4 **HEALTH CLINICS - FULL-TIME EQUIVALENT POSITIONS - REPORT.** The department of

5 health and human services shall continue the process of the human service centers becoming a  
6 certified community behavioral health clinic to provide continuous community-based behavioral  
7 health services for children and adults. The department of health and human services shall  
8 pursue additional federal funding as available. Subject to the availability of generated income,  
9 the department of health and human services may add full-time equivalent positions for the  
10 clinics to provide direct services for the period beginning with the effective date of this Act and  
11 ending June 30, 2027. The department of health and human services shall report to the office of  
12 management and budget and legislative council each time a position is added.

13 **SECTION 27. INTERMEDIATE CARE FACILITY MORATORIUM.** The department of health  
14 and human services may not add any new licensed intermediate care facility for individuals with  
15 intellectual disabilities beds to the state's licensed bed capacity between July 1, 2025, and  
16 June 30, 2027.

17 **SECTION 28. EXEMPTION - UNEXPENDED APPROPRIATIONS.** The following  
18 appropriations are not subject to the provisions of section 54-44.1-11 and any unexpended  
19 appropriation authority may be continued into the biennium beginning July 1, 2025, and ending  
20 June 30, 2027:

- 21 1. The sum of \$3,674,757 appropriated from the general fund and the sum of  
22 \$25,918,566 appropriated from federal funds for the Medicaid management  
23 information system modularization technology project in chapter 12 of the 2021  
24 Session Laws;
- 25 2. The sum of ~~\$14,411,218~~ \$6,000,000 appropriated from the general fund and the sum  
26 of \$14,411,218 appropriated from federal funds for the child welfare technology project  
27 in chapter 12 of the 2021 Session Laws;
- 28 3. The sum of \$20,366,271 appropriated from the community health trust fund and the  
29 sum of \$39,534,525 appropriated from federal funds for the child support computer  
30 replacement project in chapter 44 of the 2023 Session Laws;

- 1       4.   The sum of \$10,989,217 appropriated from the strategic investment and  
2           improvements fund for the procurement and grants management system in chapter 44  
3           of the 2023 Session Laws;
- 4       5.   The sum of \$4,150,000 appropriated from the general fund for defraying the expenses  
5           of additional human service centers to begin the process of becoming a certified  
6           community behavioral health clinic to provide continuous community-based behavioral  
7           health services for children and adults in chapter 44 of the 2023 Session Laws;
- 8       6.   The sum of \$18,941,847 appropriated to the department of health and human services  
9           in chapter 549 of the 2021 Special Session Laws;
- 10      7.   The sum of \$55,120,000 appropriated from the federal state fiscal recovery fund for a  
11          public health laboratory capital project in chapter 4 of the 2023 Session Laws;
- 12      8.   The sum of ~~\$5,000,000~~\$1,000,000 appropriated from the general fund for the purpose  
13          of employer-led child care cost-share program in chapter 446 of the 2023 Session  
14          Laws;
- 15      9.   The sum of \$986,555 appropriated from the general fund for the purpose of  
16          streamlining background checks project in chapter 446 of the 2023 Session Laws;
- 17      10.  The sum of ~~\$2,223,981~~\$1,000,000 appropriated from the federal state fiscal recovery  
18          fund for the implementation of a virtual behavioral health crisis care program for rural  
19          law enforcement in chapter 44 of the 2023 Session Laws; and
- 20      11.  The sum of \$500,000 appropriated from the general fund and the sum of \$500,000  
21          appropriated from federal funds for the purpose of program integrity audits in  
22          chapter 44 of the 2023 Session Laws.
- 23      12.  The sum of \$1,950,000 appropriated from the general fund to the department of health  
24          and human services for a northwest human service region behavioral health facility  
25          grant in chapter 44 of the 2023 Session Laws.

26       **SECTION 29. LEGISLATIVE INTENT - UTILIZATION RATE ADJUSTMENT.** It is the intent  
27   of the sixty-ninth legislative assembly that the department of health and human services seek a  
28   deficiency appropriation from the seventieth legislative assembly for any expenditures that  
29   exceed appropriated amounts as a result of underfunding, utilization rates, value-based  
30   purchasing for nursing facilities, reduction in federal medical assistance percentage, and

1 unexpected contract cost increases that exceed ten percent, during the biennium beginning  
2 July 1, 2025, and ending June 30, 2027, if funding is not sufficient to pay actual expenses.

3 **SECTION 30. LEGISLATIVE INTENT - PROVIDER RATE INCREASE.** Except as  
4 otherwise noted, section 1 of this Act includes funding for human service provider inflation  
5 increases of two percent for ~~each year~~the first year and one and one-half percent the second  
6 year of the biennium beginning July 1, 2025, and ending June 30, 2027. The provider inflation  
7 increase in this section does not apply to nursing facilities.

8 ~~SECTION 29. LEGISLATIVE INTENT - DEVELOPMENTAL DISABILITIES PROVIDER~~  
9 ~~ACCREDITATION REQUIREMENT.~~ It is the intent of the sixty-ninth legislative assembly that  
10 ~~the department of health and human services eliminate its administrative rule requirement that~~  
11 ~~providers of developmental disabilities services be accredited as a condition of being eligible for~~  
12 ~~receiving payments for services from the department of health and human services.~~

13 **SECTION 31. LEGISLATIVE INTENT - MEDICAL ASSISTANCE.** It is the intent of the  
14 sixty-ninth legislative assembly that the department of health and human services review the  
15 amount, duration, coverage, utilization rates, medical necessity, and scope of medical  
16 assistance services, and ~~may implement any adjustments the department determines~~  
17 appropriatereport any findings and recommendations to the seventieth legislative assembly.

18 **SECTION 32. FEDERAL FUNDING APPEAL LIMITATION.** Except as otherwise  
19 specifically provided by federal law, a person may not appeal a denial, revocation, reduction in  
20 services or payment, or the termination of a program or service by the department of health and  
21 human services dues to the unavailability of federal coronavirus funding received under federal  
22 law resulting from the federal coronavirus pandemic emergency declarations, for the biennium  
23 beginning July 1, 2025, and ending June 30, 2027.

24 **SECTION 33. DEPARTMENT OF HEALTH AND HUMAN SERVICES - LONG-TERM**  
25 **STRUCTURED RESIDENCES PLAN - REPORT.** During the 2025-26 interim, the department of  
26 health and human services shall review options and develop a plan to establish long-term  
27 structured residences. The department shall review necessary changes to statutes, rules,  
28 policies, and the estimated fiscal impact of establishing the residences. A long-term structured  
29 residence must be a highly structured therapeutic residential mental health treatment facility  
30 that is staffed continuously and designed to treat adults under chapters 12.1-04.1 and 25-03.1  
31 who have severe and persistent mental illness and who have reached the maximum benefit

1 from the mental health resources available elsewhere in the community or hospital. The  
2 department shall present a report to the legislative management by October 1, 2026, regarding  
3 its plan to establish long-term structured residences.

4 **SECTION 34.** A new section to chapter 6-09 of the North Dakota Century Code is created  
5 and enacted as follows:

6 **Extraordinary medical needs housing loan fund - Continuing appropriation.**

- 7 1. The Bank of North Dakota shall administer a loan program to provide loans for new  
8 construction projects to provide housing for individuals with disabilities that have  
9 extraordinary medical needs. A construction project may include a land purchase and  
10 the construction costs of the project. The applicant must comply with project  
11 requirements as approved by the department of health and human services and the  
12 North Dakota housing finance agency.
- 13 2. The extraordinary medical needs housing loan fund is a special fund maintained in the  
14 state treasury from which the Bank shall provide loans under this section. The fund  
15 consists of revenues transferred under legislative authorization, interest upon moneys  
16 in the fund, and collections of interest and principal on loans made from the fund. All  
17 moneys in the fund are appropriated on a continuing basis to the Bank for the purpose  
18 of providing loans under this section.
- 19 3. The developer of the housing facility for individuals with disabilities that have  
20 extraordinary medical needs may submit an application to the Bank for a loan. The  
21 application must:
- 22 a. Provide detail on the proposed construction project and its compliance with the  
23 department of health and human services and the North Dakota housing finance  
24 agency requirements;
- 25 b. Demonstrate the need and long-term viability of the project; and
- 26 c. Include financial information the Bank determines appropriate to verify eligibility.
- 27 4. A loan approved under this section:
- 28 a. May not exceed three million three hundred thousand dollars for a project;
- 29 b. Must have an interest rate that does not exceed two percent; and
- 30 c. Must have a repayment schedule of no longer than twenty years.

1 5. A recipient of a loan under this section shall complete the financed construction project  
2 within twenty-four months of the approval of the loan. Failure to comply with this  
3 subsection may result in forfeiture of the entire loan received under this section.

4 6. The Bank shall deposit in the fund all principal and interest paid on the loans made  
5 from the fund. The Bank may deduct from interest payments a service fee for costs of  
6 administering the loan program. The fund must be audited annually pursuant to  
7 section 6-09-29 and the cost of the audit and any other actual costs incurred by the  
8 Bank on behalf of the fund must be paid from the fund.

9 **SECTION 35. AMENDMENT.** Section 50-06-06.6 of the North Dakota Century Code is  
10 amended and reenacted as follows:

11 **50-06-06.6. Department may lease real and personal property.**

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

22 **SECTION 36. AMENDMENT.** Section 50-06-42 of the North Dakota Century Code is  
23 amended and reenacted as follows:

24 **50-06-42. Substance use disorder treatment voucher system - Mental health**  
25 **treatment voucher system for incarcerated individuals.**

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

- 1 | ~~a.1.~~ An out-of-state licensed substance abuse treatment program located within a  
2 | bordering state may participate in the voucher program to serve an underserved area  
3 | of this state pursuant to the rules adopted by the department. The department shall  
4 | develop rules to include processes and requirements for an out-of-state provider to  
5 | receive reimbursement only for outpatient and community-based services upon a  
6 | provider completing an assessment of need and receiving approval from the  
7 | department.
- 8 | ~~2.b.~~ Services eligible for the voucher program include only those levels of care recognized  
9 | by the American society of addiction medicine, with particular emphasis given to  
10 | underserved areas and programs. The department shall ensure that a licensed  
11 | substance abuse treatment program, hospital, and medical clinic program accepting  
12 | vouchers collects and reports process and outcome measures.
- 13 | ~~3.c.~~ The department shall develop requirements and provide training and technical  
14 | assistance to a licensed substance abuse treatment program, hospital, and medical  
15 | clinic program accepting vouchers. A licensed substance abuse treatment program,  
16 | hospital, and medical clinic program accepting vouchers shall provide evidence-based  
17 | services.
- 18 | ~~4.d.~~ The department shall allocate funding appropriated for the substance use disorder  
19 | treatment voucher as follows:
- 20 |     a. No
- 21 | ~~(1)a.~~ Except as provided in paragraphs 3 and 4, no more than forty-fivefifty percent of  
22 | the appropriated amount may be allocated for residential substance use disorder  
23 | services administered by licensed substance abuse treatment programs with  
24 | more than sixteen beds.
- 25 | ~~b.(2)~~ The remaining appropriation must be allocated for residential programs with  
26 | sixteen or fewer beds, nonresidential outpatient, and ancillary substance use  
27 | disorder services administered by licensed substance abuse treatment programs.
- 28 | ~~(3)c.~~ The department, during the last quarter of the biennium, may reallocate projected  
29 | unused funds that were allocated under paragraph 2 to residential facilities  
30 | outlined in paragraph 1.



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

6        ~~2.    The department shall establish and administer, within the limits of legislative~~  
7                    ~~appropriations, a voucher system to address underserved areas and gaps in the~~  
8                    ~~state's mental health treatment system for individuals detained or confined in a county~~  
9                    ~~jail or detention center or regional corrections center and to assist in the payment of~~  
10                   ~~mental health treatment services provided by a licensed mental health professional~~  
11                   ~~acting within their scope of practice, excluding a regional human service center.~~

12        ~~a.    Services eligible for the voucher program include only diagnostic assessment~~  
13                   ~~and mental health therapy for individuals with a mental health concern detained~~  
14                   ~~or confined in a county jail or detention center or regional corrections center. The~~  
15                   ~~department shall ensure that a licensed mental health professional accepting~~  
16                   ~~vouchers collects and reports process and outcome measures.~~

17        ~~b.    The department shall develop requirements and provide training and technical~~  
18                   ~~assistance to licensed mental health professionals accepting vouchers. A~~  
19                   ~~licensed mental health professional shall provide evidence-based services.~~

20        **SECTION 37. AMENDMENT.** Section 50-24.5-02.3 of the North Dakota Century Code is  
21 amended and reenacted as follows:

22        **50-24.5-02.3. Basic care payment rates.**

- 23        1.    The department shall determine limits for the care of residents of basic care facilities  
24                   that qualify as vendors of an aged, blind, and disabled persons program and for  
25                   implementing provisions of this chapter based on data demonstrating the most recent  
26                   costs that must be incurred for the care of residents in efficiently and economically  
27                   operated basic care facilities. The department shall determine the limits every four  
28                   years by July first, beginning with July 1, 2023.
- 29        2.    The department shall establish the limits by using the median rates from the most  
30                   recent data available. The direct care limit must be the median plus eighteen percent.  
31                   The indirect care limit must be the median plus twelve percent.

- 1       3. For the rate year beginning July 1, 2023, the department shall increase rates and  
2           limits three and one-half percent for inflation. For the rate year beginning July 1, 2024,  
3           the department shall increase rates and limits three and one-half percent for inflation.
- 4       4. The department shall provide a rate increase in the amount of five dollars per day for  
5           the period beginning July 1, 2023, and ending June 30, ~~2025~~2027, after which the  
6           increase is not effective. This rate increase may not be included in any calculation of  
7           inflation increase.
- 8       5. Within the limits of legislative appropriations, the department shall establish an  
9           uncompensated care expense of three hundred sixty-five days.

10       **SECTION 38. AMENDMENT.** Section 50-33-05 of the North Dakota Century Code is  
11   amended and reenacted as follows:

12       **50-33-05. State of residence.**

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

17       **SECTION 39. AMENDMENT.** Subsection 1 of section 50-36-03 of the North Dakota  
18   Century Code is amended and reenacted as follows:

- 19       1. The committee is composed of:
  - 20           a. One member of the North Dakota association of counties appointed by the  
21                chairman of the legislative management, who shall serve a term of two years.
  - 22           b. One member of the North Dakota league of cities appointed by the chairman of  
23                the legislative management, who shall serve a term of two years.
  - 24           c. One member of the North Dakota state association of city and county health  
25                officials appointed by the chairman of the legislative management, who shall  
26                serve a term of two years.
  - 27           d. One member who represents the highway patrol appointed by the highway patrol  
28                superintendent, who shall serve a term of two years.
  - 29           e. The executive director of the department's division of behavioral health.
  - 30           f. ~~The managing director of the office of recovery reinvented.~~ One member in  
31                recovery appointed by the governor.

- 1 g. One member appointed by the governor who shall serve as a nonvoting member  
2 and as the presiding officer of the committee, who shall serve a term of two  
3 years.

4 **SECTION 40.** Subsection 6 of the new section to chapter 54-07 of the North Dakota  
5 Century Code, as created by section 1 of Senate Bill No. 2176, as approved by the sixty-ninth  
6 legislative assembly, is amended and reenacted as follows:

- 7 6. a. The office of the governor shall provide staffing and administrative services for  
8 the children's cabinet and coordinate with other designated working groups on  
9 children and family issues.

10 b. The governor or the governor's designee serving on the cabinet may appoint a  
11 representative to serve in that official's capacity at a meeting if the governor or  
12 governor's designee is unable to attend.

13 **SECTION 41. HOUSING AVAILABILITY ASSESSMENT - COLLABORATION WITH**

14 **HOUSING FINANCE AGENCY.** The department of health and human services shall collaborate  
15 with the North Dakota housing finance agency and other appropriate stakeholders to assess the  
16 availability of housing for individuals requiring extraordinary health care support services, for the  
17 biennium beginning July 1, 2025, and ending June 30, 2027. Based on the results of the  
18 assessment, if necessary, the department shall develop a plan to expand access to housing  
19 providing the least restrictive environment for individuals requiring extraordinary health care  
20 support services.

21 **SECTION 42. BEHAVIORAL HEALTH CLINICS, NORTH DAKOTA STATE HOSPITAL,**  
22 **AND LIFE SKILLS AND TRANSITION CENTER FUNDING.** Section 1 of this Act includes  
23 funding for the behavioral health clinics, North Dakota state hospital, and life skills and transition  
24 center as follows:

25 1. Behavioral health clinics:

- 26 a. Salaries and wages ~~\$156,967,103~~ \$177,840,942  
27 b. Operating and capital ~~64,131,965~~ 56,945,408  
28 c. Total ~~\$221,099,068~~ \$234,786,350

29 2. State hospital:

- 30 a. Salaries and wages ~~\$68,775,551~~ \$70,477,378  
31 b. Operating and capital ~~350,880,155~~ 20,880,155

1	c. Total	<del>\$419,655,706</del> <u>\$91,357,533</u>
2	3. Life skills and transition center:	
3	a. Salaries and wages	<del>\$55,540,213</del> <u>\$56,284,356</u>
4	b. Operating and capital	<del>15,207,658</del> <u>15,207,658</u>
5	c. Total	<del>\$70,747,871</del> <u>\$71,492,014</u>

6 **SECTION 43. LEGISLATIVE MANAGEMENT STUDY - STUDENT TRUANCY AND**  
7 **ABSENTEEISM.** The legislative management shall consider studying, during the 2025-26

8 interim, truancy and student absenteeism in kindergarten through grade twelve public schools.  
9 The legislative management shall report its findings and recommendations, together with any  
10 legislation necessary to implement its recommendations, to the seventieth legislative assembly.

11 **SECTION 44. LEGISLATIVE MANAGEMENT STUDY - OBESITY HEALTH**

12 **IMPLICATIONS.** The legislative management shall consider studying, during the 2025-26  
13 interim, the health implications of obesity on the residents of the state and options to increase  
14 access to prevention and treatments for obesity. If conducted, the study must review costs  
15 associated with obesity including comorbidities, treatments available for obesity, obesity  
16 diagnosis guidelines including use of body mass index compared with percentage of body fat,  
17 and examining the difference between being an individual who is healthy and overweight as  
18 compared to an obese individual. The legislative management shall report its findings and  
19 recommendations, together with any legislation necessary to implement its recommendations,  
20 to the seventieth legislative assembly.

21 **SECTION 45. LEGISLATIVE MANAGEMENT STUDY - MATERNAL HEALTH**

22 **SERVICES - ACCESS AND WORKFORCE.**

- 23 1. During the 2025-26 interim, the legislative management shall consider studying  
24 access to maternal health services. The study must include:
- 25 a. Consideration of the availability of prenatal and childbirth services, including  
26 provider shortages and service use.
  - 27 b. Development of strategies to increase the number of obstetricians, family  
28 doctors, and midwives providing maternal health services in this state.
  - 29 c. A review of coverage and reimbursement for doulas and midwives, including  
30 training and certification needs.

1 d. Consideration of insurance and public policy options to improve maternal health  
2 outcomes, including through the Medicaid program.

3 e. Input from health care providers, insurers, public health officials, and maternal  
4 health experts.

5 2. The legislative management shall report its findings and recommendations, together  
6 with any legislation necessary to implement its recommendations, to the seventieth  
7 legislative assembly.

8 **SECTION 46. LEGISLATIVE INTENT - LIFE SKILLS AND TRANSITION CENTER.** It is the  
9 intent of the sixty-ninth legislative assembly that during the 2025-26 interim, the department of  
10 health and human services review the facilities and land at the life skills and transition center to  
11 identify the portions of the life skills and transition center campus that are necessary for delivery  
12 of services and the portions of the campus that could be conveyed to a local government or  
13 related public or not-for-profit community development entity to redevelop to optimize local  
14 community development goals and the successful operation of the life skills and transition  
15 center. It is further the intent of the legislative assembly that the department of health and  
16 human services present any request to convey any portions of the campus to the seventieth  
17 legislative assembly.

18 **SECTION 47. DISABILITY SERVICE ACCREDITATION STUDY - LEGISLATIVE**  
19 **MANAGEMENT REPORT.** During the 2025-26 interim, the department of health and human  
20 services shall study accreditation requirements and provider costs for serving individuals with  
21 intellectual and developmental disabilities, including the cost of accreditation relative to the cost  
22 of providing services and reimbursement. The department shall report its findings and  
23 recommendations, together with any legislation necessary to implement recommendations to  
24 the legislative management by September 1, 2026.

25 **SECTION 48. VALUE-BASED CARE INCENTIVE PROGRAM - PAYMENT WITHHOLD**  
26 **FOR NURSING FACILITIES - COLLABORATION WITH NORTH DAKOTA LONG TERM**  
27 **CARE ASSOCIATION.** During the 2025-26 interim, the department of health and human  
28 services, in collaboration with the North Dakota long term care association, shall develop a  
29 payment withhold structure for value-based payments to provide funding for the value-based  
30 care incentive program for nursing facilities. The department shall implement the payment

1 withhold beginning July 1, 2027. The department may not implement a payment withhold before  
2 July 1, 2027.

3 **SECTION 49. LEGISLATIVE MANAGEMENT STUDY- DISABILITY SERVICES.**

- 4 1. During the 2025-26 interim, the legislative management shall study the efficiency,  
5 effectiveness, and outcomes of developmental disability services provided by the  
6 department of health and human services. The study must include:
- 7 a. A review of the approval process, an analysis of accountability measures, an  
8 assessment of gaps in services, and an evaluation of overall program  
9 management.
  - 10 b. An assessment of whether the department is effectively managing cases and  
11 complying with federal law in the provision of support and services to individuals  
12 with disabilities.
  - 13 c. Input from advocates, clients from the disability community, zone directors,  
14 service providers, and health care providers who serve individuals with  
15 disabilities.
  - 16 d. Collaboration with the cross-disability advisory council.
- 17 2. The legislative council may contract with a consultant with expertise in the provision of  
18 developmental disability services to assist in the study.
- 19 3. The legislative management shall report its findings and recommendations, together  
20 with any legislation necessary to implement its recommendations, to the seventieth  
21 legislative assembly.

22 **SECTION 50. APPROPRIATION - COMMUNITY HEALTH TRUST FUND - LEGISLATIVE**  
23 **COUNCIL - DISABILITY SERVICES - ONE-TIME FUNDING.** There is appropriated out of any  
24 moneys in the community health trust fund, not otherwise appropriated, the sum of \$150,000, or  
25 so much of the sum as may be necessary, to the legislative council for the purpose of  
26 contracting for consulting services for a disability services study, for the biennium beginning  
27 July 1, 2025, and ending June 30, 2027. The appropriation in this section is considered a  
28 one-time funding item.

29 **SECTION 51. LEGISLATIVE MANAGEMENT REPORT - BEHAVIORAL HEALTH**  
30 **FACILITY GRANTS.** During the 2025-26 interim the department of health and human services

1 shall provide reports to the legislative management regarding the award of grant funding to  
2 increase the number of behavioral health beds in the state.

3 **SECTION 52. EFFECTIVE DATE.** Section ~~33~~36 of this Act becomes effective on July 1,  
4 2026.

5 **SECTION 53. EFFECTIVE DATE.** Section 7 of this Act becomes effective on January 1,  
6 2026.





**STATEMENT OF PURPOSE OF AMENDMENT:**

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

	Base Budget	House Version	Senate Changes	Senate Version
Department of Health and Human Services				
Total all funds	\$0	\$596,284,775	\$23,692,691	\$619,977,466
Less estimated income	0	286,720,150	4,728,962	291,449,112
General fund	\$0	\$309,564,625	\$18,963,729	\$328,528,354
FTE	0.00	2,688.35	0.00	2,688.35
DHHS - Business Operations				
Total all funds	\$192,993,318	\$97,063,631	\$0	\$97,063,631
Less estimated income	118,894,310	47,368,089	0	47,368,089
General fund	\$74,099,008	\$49,695,542	\$0	\$49,695,542
FTE	114.40	0.00	0.00	0.00
DHHS - Behavioral Health				
Total all funds	\$421,861,349	\$580,920,603	(\$342,268,302)	\$238,652,301
Less estimated income	113,955,941	399,223,478	(332,328,000)	66,895,478
General fund	\$307,905,408	\$181,697,125	(\$9,940,302)	\$171,756,823
FTE	1,054.27	0.00	0.00	0.00
DHHS - Human Services				
Total all funds	\$1,863,859,882	\$1,882,984,555	(\$25,451,245)	\$1,857,533,310
Less estimated income	1,240,409,529	1,226,448,044	(10,127,449)	1,216,320,595
General fund	\$623,450,353	\$656,536,511	(\$15,323,796)	\$641,212,715
FTE	1,009.16	0.00	0.00	0.00
DHHS - Medical Services				
Total all funds	\$2,776,246,128	\$2,855,909,613	(\$15,620,504)	\$2,840,289,109
Less estimated income	1,818,029,530	1,810,657,071	(1,436,598)	1,809,220,473
General fund	\$958,216,598	\$1,045,252,542	(\$14,183,906)	\$1,031,068,636
FTE	90.50	0.00	0.00	0.00
DHHS - Public Health				
Total all funds	\$298,196,870	\$265,019,251	(\$66,038,400)	\$198,980,851
Less estimated income	250,440,690	229,814,403	(62,694,583)	167,119,820
General fund	\$47,756,180	\$35,204,848	(\$3,343,817)	\$31,861,031
FTE	215.50	0.00	0.00	0.00
Legislative Council				
Total all funds	\$0	\$0	\$150,000	\$150,000
Less estimated income	0	0	150,000	150,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00
Bill total				
Total all funds	\$5,553,157,547	\$6,278,182,428	(\$425,535,760)	\$5,852,646,668
Less estimated income	3,541,730,000	4,000,231,235	(401,707,668)	3,598,523,567
General fund	\$2,011,427,547	\$2,277,951,193	(\$23,828,092)	\$2,254,123,101
FTE	2,483.83	2,688.35	0.00	2,688.35

**House Bill No. 1012 - Legislative Council - Senate Action**

	<b>Base Budget</b>	<b>House Version</b>	<b>Senate Changes</b>	<b>Senate Version</b>
Disability services study			\$150,000	\$150,000
Total all funds	\$0	\$0	\$150,000	\$150,000
Less estimated income	0	0	150,000	150,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

**Department 160 - Legislative Council - Detail of Senate Changes**

	<b>Adds Funding for Disability Services Study<sup>1</sup></b>	<b>Total Senate Changes</b>
Disability services study	\$150,000	\$150,000
Total all funds	\$150,000	\$150,000
Less estimated income	150,000	150,000
General fund	\$0	\$0
FTE	0.00	0.00

<sup>1</sup> One-time funding is added from the community health trust fund for consulting services for a Legislative Management study of disability services provided by the Department of Health and Human Services.

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

	<b>Base Budget</b>	<b>House Version</b>	<b>Senate Changes</b>	<b>Senate Version</b>
Salaries and wages block grant		\$596,284,775	\$23,692,691	\$619,977,466
Total all funds	\$0	\$596,284,775	\$23,692,691	\$619,977,466
Less estimated income	0	286,720,150	4,728,962	291,449,112
General fund	\$0	\$309,564,625	\$18,963,729	\$328,528,354
FTE	0.00	2,688.35	0.00	2,688.35

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

	<b>Adjusts Funding for Salaries and Wages Block Grant<sup>1</sup></b>	<b>Total Senate Changes</b>
Salaries and wages block grant	\$23,692,691	\$23,692,691
Total all funds	\$23,692,691	\$23,692,691
Less estimated income	4,728,962	4,728,962
General fund	\$18,963,729	\$18,963,729
FTE	0.00	0.00

<sup>1</sup> Funding for the salaries and wages block grant is adjusted as follows:

<b>Description</b>	<b>FTE</b>	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
Adds funding to reduce underfunding		\$18,963,729	\$0	\$18,963,729
Adds salary funding from operating fund		0	4,728,962	4,728,962
Total changes to salaries and wages block grant	0.00	\$18,963,729	\$4,728,962	\$23,692,691

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

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$25,763,358			
Operating expenses	155,308,399	\$78,284,629		\$78,284,629
Capital assets	108,934			
Grants	11,812,627	18,779,002		18,779,002
<b>Total all funds</b>	<b>\$192,993,318</b>	<b>\$97,063,631</b>	<b>\$0</b>	<b>\$97,063,631</b>
Less estimated income	118,894,310	47,368,089	0	47,368,089
<b>General fund</b>	<b>\$74,099,008</b>	<b>\$49,695,542</b>	<b>\$0</b>	<b>\$49,695,542</b>
FTE	114.40	0.00	0.00	0.00

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

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$8,792,675			
Operating expenses	79,381,458	\$103,269,596	(\$98,478)	\$103,171,118
Grants	40,476,298	62,365,620	(12,710,000)	49,655,620
Behavioral health clinics	196,383,945	56,405,232	540,176	56,945,408
State Hospital	94,826,973	350,880,155	(330,000,000)	20,880,155
Opioid addiction prevention	2,000,000	8,000,000		8,000,000
<b>Total all funds</b>	<b>\$421,861,349</b>	<b>\$580,920,603</b>	<b>(\$342,268,302)</b>	<b>\$238,652,301</b>
Less estimated income	113,955,941	399,223,478	(332,328,000)	66,895,478
<b>General fund</b>	<b>\$307,905,408</b>	<b>\$181,697,125</b>	<b>(\$9,940,302)</b>	<b>\$171,756,823</b>
FTE	1,054.27	0.00	0.00	0.00

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

	Adjusts Funding for Behavioral Health Division <sup>1</sup>	Total Senate Changes
Salaries and wages		
Operating expenses	(\$98,478)	(\$98,478)
Grants	(12,710,000)	(12,710,000)
Behavioral health clinics	540,176	540,176
State Hospital	(330,000,000)	(330,000,000)
Opioid addiction prevention		
<b>Total all funds</b>	<b>(\$342,268,302)</b>	<b>(\$342,268,302)</b>
Less estimated income	(332,328,000)	(332,328,000)
<b>General fund</b>	<b>(\$9,940,302)</b>	<b>(\$9,940,302)</b>
FTE	0.00	0.00

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

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

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$21,008,344			
Operating expenses	70,807,977	\$163,172,539		\$163,172,539
Grants	1,651,004	3,457,804	(\$800,000)	2,657,804
Grants - Medical assistance	<u>2,682,778,803</u>	<u>2,689,279,270</u>	<u>(14,820,504)</u>	<u>2,674,458,766</u>
Total all funds	\$2,776,246,128	\$2,855,909,613	(\$15,620,504)	\$2,840,289,109
Less estimated income	<u>1,818,029,530</u>	<u>1,810,657,071</u>	<u>(1,436,598)</u>	<u>1,809,220,473</u>
General fund	\$958,216,598	\$1,045,252,542	(\$14,183,906)	\$1,031,068,636
FTE	90.50	0.00	0.00	0.00

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

	Adjusts Funding for Medical Services Division <sup>1</sup>	Total Senate Changes
Salaries and wages		
Operating expenses		
Grants	(\$800,000)	(\$800,000)
Grants - Medical assistance	<u>(14,820,504)</u>	<u>(14,820,504)</u>
Total all funds	(\$15,620,504)	(\$15,620,504)
Less estimated income	<u>(1,436,598)</u>	<u>(1,436,598)</u>
General fund	(\$14,183,906)	(\$14,183,906)
FTE	0.00	0.00

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

Description	FTE	General Fund	Other Funds	Total
Long-term care:				
Transfers basic care \$5 daily rate to one-time funding		(\$4,067,056)	(\$1,474,184)	(\$5,541,240)
Medicaid:				
Provides funding to rebase ambulance rates to the lowest quartile Medicare rural base rate		(\$1,189,770)	(\$1,189,770)	(\$2,379,540)
Adjusts Medicaid case load projections		(4,000,000)	(4,000,000)	(8,000,000)
Reduces 1915(i) case load projections		(1,000,000)	(1,000,000)	(2,000,000)
Increases estimated FMAP percentage by 1%		(7,037,100)	7,037,100	0
Adjusts the annual provider inflation increase to 2% and 1.5%		<u>(1,157,036)</u>	<u>(1,283,928)</u>	<u>(2,440,964)</u>
Total ongoing funding changes		(\$18,450,962)	(\$1,910,782)	(\$20,361,744)
One-time funding items:				
Removes funding for a critical access hospital networking grant		\$0	(\$1,000,000)	(\$1,000,000)
Transfers basic care \$5 daily rate from ongoing funding		4,067,056	1,474,184	5,541,240
Provides funding for costs associated with housing for individuals with extraordinary medical needs		<u>200,000</u>	<u>0</u>	<u>200,000</u>
Total one-time funding changes		<u>\$4,267,056</u>	<u>\$474,184</u>	<u>\$4,741,240</u>
Total Senate changes		(\$14,183,906)	(\$1,436,598)	(\$15,620,504)

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

	<b>Base Budget</b>	<b>House Version</b>	<b>Senate Changes</b>	<b>Senate Version</b>
Salaries and wages	\$60,415,388			
Operating expenses	37,721,213	\$55,574,882	(\$49,287,739)	\$6,287,143
Capital assets	1,469,780	3,685,618	(928,000)	2,757,618
Grants	81,718,145	85,963,641	(15,822,661)	70,140,980
Tobacco prevention	13,063,162	13,040,555		13,040,555
WIC food payments	19,900,000	21,000,000		21,000,000
COVID-19 response	83,909,182	85,754,555		85,754,555
<b>Total all funds</b>	<b>\$298,196,870</b>	<b>\$265,019,251</b>	<b>(\$66,038,400)</b>	<b>\$198,980,851</b>
Less estimated income	250,440,690	229,814,403	(62,694,583)	167,119,820
General fund	\$47,756,180	\$35,204,848	(\$3,343,817)	\$31,861,031
FTE	215.50	0.00	0.00	0.00

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

	<b>Adjusts Funding for Public Health Division<sup>1</sup></b>	<b>Total Senate Changes</b>
Salaries and wages		
Operating expenses	(\$49,287,739)	(\$49,287,739)
Capital assets	(928,000)	(928,000)
Grants	(15,822,661)	(15,822,661)
Tobacco prevention		
WIC food payments		
COVID-19 response		
<b>Total all funds</b>	<b>(\$66,038,400)</b>	<b>(\$66,038,400)</b>
Less estimated income	(62,694,583)	(62,694,583)
General fund	(\$3,343,817)	(\$3,343,817)
FTE	0.00	0.00

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

<u>Description</u>	<u>FTE</u>	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Reduces additional funding added by the House for domestic and sexual violence		(\$1,700,000)	\$0	(\$1,700,000)
Removes funding added by the House for the Safe Haven program		(440,000)	0	(440,000)
Removes funding added by the House for vaccines for healthcare providers off federal contract		0	(2,213,930)	(2,213,930)
Reduces funding added by the House for forensic pathology contract services with UND to provide an increase of \$1 million		(866,156)	0	(866,156)
Reduces funding added by the House for a grant to the Family Voices program to provide an increase of \$50,000		(50,000)	0	(50,000)
Reduces funding added by the House for a fetal alcohol spectrum disorder clinic at UND to provide \$350,000		(287,661)	0	(287,661)
Reduces federal CARES ACT/COVID funding		0	(60,716,583)	(60,716,583)
Total ongoing changes		(\$3,343,817)	(\$62,930,513)	(\$66,274,330)
One-time funding items:				
Removes funding added by the House to purchase a forensic examiner electronic records system		\$0	(\$278,000)	(\$278,000)
Removes funding added by the House for licensure management system		0	(650,000)	(650,000)
Removes funding added by the House for a Cass County animal shelter grant		0	(300,000)	(300,000)
Removes funding added by the House for the Statewide health strategies grant		0	(750,000)	(750,000)
Provides funding from the public health lab fund for public health data modernization		0	2,213,930	2,213,930
Total one-time funding changes		\$0	\$235,930	\$235,930
Total Senate changes		(\$3,343,817)	(\$62,694,583)	(\$66,038,400)

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

This amendment also:

- Adds sections to provide guidelines regarding the use of funding for infant and toddler care provider payments, intermediate care facility medically and behaviorally complex services grants, special health care needs grants, crisis services grants, and medical housing for individuals with extraordinary medical needs.
- Adjusts sections identifying funding from the strategic investment and improvements fund and community health trust fund.
- Removes sections identifying funding for an animal shelter grant and statewide health strategies.
- Removes a Bank of North Dakota line of credit for a new State Hospital project and adds a Bank of North Dakota line of credit for a child welfare technology project.
- Adjusts the membership of the new State Hospital steering committee to include representatives of DHHS, the Office of Management and Budget, Governor's office, and the Legislative Assembly.
- Adjusts various exemptions to allow the continuation of unexpended appropriation authority into the 2025-27 biennium. These adjustments will increase the July 1, 2025, general fund balance by \$12,411,218.
- Removes a section to provide legislative intent that DHHS eliminate its administrative rule requirement that providers of developmental disabilities services be accredited as a condition to receive payments for services.
- Creates a new section to Chapter 6-09 to create an extraordinary medical needs housing loan fund and to provide guidelines regarding the use of the loan fund.
- Amends Section 50-36-03 relating to the membership of the opioid advisory committee.
- Amends provisions relating to the Children's Cabinet as approved in Senate Bill No. 2176.
- Provides for a Legislative Management study of maternal health services.
- Provides legislative intent that DHHS review the utilization of the Life Skills and Transition Center campus to determine if any portions of the campus can be conveyed for use by community organizations.
- Provides for DHHS to study developmental disability service provider accreditation.
- Provides for DHHS to develop a payment structure to provide funding for a value-based care incentive program for nursing facilities.

- Provides for a Legislative Management study of developmental disability services provided by DHHS and provides an appropriation of \$150,000 to the Legislative Council for consultant services for the study.

