

# MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2033 (2/85) 5M



ROLL NUMBER

DESCRIPTION

3030

2001 HOUSE HUMAN SERVICES

HCR 3030

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HCR 3030

House Human Services Committee

Conference Committee

Hearing Date February 12, 2001

Tape Number	Side A	Side B	Meter #
Tape 1	X		0 to 1200
Tape 2	X		0 to 415
Committee Clerk Signature <i>Corinne Easton</i>			

Minutes:

Chairman Price, Vice Chairman Devlin, Rep. Dosch, Rep. Galvin, Rep. Klein, Rep. Pollert, Rep. Porter, Rep. Tieman, Rep. Weiler, Rep. Weisz, Rep. Cleary, Rep. Metcalf, Rep. Niemeier, Rep. Sandvig

Chairman Price: Opened hearing on HCR 3030.

Rep. Porter: Presented HCR 3030. Earlier this session we debated a bill that addressed some of the disparities physically dealing with ambulance services. Across the United States there is a great deal of cost shifting within medicine because of the under payment of Medicare and Medicaid. This resolution addresses not only the under payment, but it also goes one step further and addresses the disparity between eastern and western North Dakota in the reimbursement to hospitals. What that cost shifting does is raises the price of doing business to the other insurance companies that are doing business in North Dakota. What this particular measure is doing is asking Congress to fix some of the problems in the federal Medicare system.

Rep. Cleary: Does that mean you don't agree with the federal tax cut?

Rep. Porter: I guess it goes further than that. I don't agree with the balanced budget act of 1997.

Chairman Price: We also have some disparity between Minot and Bismarek, because Bismarek is a metropolitan service area. Would you have any objection if the resolution would address that type of situation?

Rep. Porter: It should address all disparities.

Chairman Price: One of the orthopedic procedures, I think it is hip replacement, there is an \$1,100 difference Minot and Bismarek reimbursement right now.

Porter: Rep. The basic cost of provided service, especially inside the boundaries of North Dakota, if not going regionally, are the same or higher in North Dakota than they would be in other regions. I think that whatever disparities we can address with this resolution that we should take the opportunity to address them.

Chairman Price: Are you aware there are any out there that have anything to do with home health - what has happened under BBA home health has also hurt North Dakota.? If not, can we ask something like that in this resolution?

Rep. Porter: I'm not aware of any other resolutions that are addressing this. The last session they addressed a lot to do with home health. Maybe one of the representatives from BCBS can address the fix that they put back into home health, but if it is not enough of a fix, then absolutely it should be mentioned in this at the same time.

Chairman Price: I know they did make some attempts, but I think some of the per episode payments have been a constant problem.

Rep., Galvin: Doesn't the reimbursement also affect the ambulance services?

Rep. Porter: Through the Balanced Budget Act of 1997 or 1998, Congress told the Health Care Finance Administration for Medicare to put ambulance services under a fee schedule. That proposed fee schedule is sitting right now kind of in limbo. If that is implemented, it will almost certainly spell the end of ambulance services in the Midwest. What Medicare has decided to do is they took the pot full of money and then took number of calls, divided one into the other without any regard to cost of doing the service or cost of providing that type of service 24 hours a day, seven days a week, and said this is just what you're going to get and you're not getting anymore. That kind of cost shift has to go some place, and it is either going to go back to local property taxes or to other patients that aren't on Medicare. It is one of the main reasons for this resolution.

Dan Ulmer: Blue Cross Blue Shield. We support HB 3030. This is a major issue. One of the issues is North Dakota and most of the rural areas are reimbursed at a much lower rates than the rest of the country. It is a rural issue, cost of care issue, it has something to do with the APACE. Example is that on any given procedure North Dakota's average Medicare recipient gets about \$400 a month and about \$800 in Florida. There is a major distinction between the urban and rural states. We could get this changed in the Senate, when you start looking at the country as a whole you have a 100 Senators, but the House is based on population, so when you start looking at the reimbursement rates you've got a really difficult issued because the big states you have the majority of the House you're dealing with. From a political perspective it has been a very difficult thing to get attention to. One of the reasons HBO 1314 came to you folks and resulted in HCR 3030, was affective April 1. The Medicare HIFFA system, are forcing ambulances to accept mandatory assignment, which means that if Rep. Porter goes out and charges a certain level for a given call, and it is less than the cost, if he doesn't accept the assignment then he

could balance bill the remainder to the patient. Under the new mandatory assignment arrangement they cannot balance the bill. The result of that is every time Medicare makes that kind of maneuver, it gets shuffled over to us in the private sector. We have to try and find some way to call attention to this in Congress.

Arnold Thomas: President of the North Dakota Health Care Association. I am in support of HCR 3030. The resolution is about asking the federal government to take a look at the policies behind Medicare. Like every other federal program, treat the seniors the same in terms of those who are providing service to them, and not by some geographical arbitrary circumstances. The other reason we would like you to endorse HCR 3030 is that in 1997 when the Balanced Budget Act was enacted by the Congress there was an estimated reduction in Medicare of approximately, in North Dakota, \$25,000,000. While the politics of the issue were the main focus, the agreement was that there was going to be about a \$25,000,000 reduction in Medicare benefits. Since 1997 what we've been attempting to do is to claim back that overage, and part of that overage is part of the national surplus. That part of what Rep. Porter is tying into with respect to this resolution, and we would concur with that.

Bruce Levi: North Dakota Medical Association. I want to stand in support of the resolution and echo the comments, particularly by Arnold Thomas from the N.D. Health Care Association. I think this is an issue that has long been on the table. The Medical Association over the last few years has been involved with a geographical coalition of states that are in a similar position, looking at this issue, gathering data, and we can share that type of information with the committee.

Chairman Price: Close the hearing on HCR 3030.

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House Human Services Committee

Bill/Resolution Number HCR 3030

Hearing Date February 12, 2001

**COMMITTEE WORK:**

CHAIRMAN PRICE: HCR 3030. Discussion?

REP. PORTER: After earlier discussion on HCR 3030 I had a set of amendments drawn up.

(Discussed changes in the amendments.)

CHAIRMAN PRICE: Do you want to move the amendments?

REP. PORTER: I would move the amendments.

REP. WEISZ: Second.

CHAIRMAN PRICE: (Committee discussion.) All those in favor signify by saying Aye (14 Yes). We have an amended resolution, what is your wishes?

REP. KLEIN: I motion for a Do Pass.

REP. POLLERT: Second

CHAIRMAN PRICE: Discussion? Take the roll on a **DO PASS as amended.**

**14 YES 0 NO 0 ABSENT CARRIED BY REP. KLEIN**

VK  
2/12/01

HOUSE AMENDMENTS TO HCR 3030

HOUSE HS

2-13-01

Page 1, line 1, remove "rural"

Page 1, line 2, replace "and" with a comma

Page 1, line 3, replace "between eastern and western" with "within" and after "Dakota" insert "and within the nation, and to delay implementation of the proposed Medicare ambulance reimbursement fee schedule"

Page 1, after line 8, insert:

**WHEREAS**, home health care is an integral service in North Dakota which allows individuals to be expediently discharged from acute care facilities, thereby allowing individuals to be cared for at home and to avoid nursing homes; and

**WHEREAS**, Congress is proposing implementation of a Medicare ambulance reimbursement fee schedule that will negatively affect ambulance services across the state; and"

Page 1, line 14, remove "rural" and replace "and" with a comma

Page 1, line 15, replace "between eastern and western" with "within"

Page 1, line 16, after "Dakota" insert "and within the nation, and to delay implementation of the proposed Medicare ambulance reimbursement fee schedule"

Renumber accordingly

Date: 2-12-01  
Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. HCR 3030

House Human Services Committee

Subcommittee on \_\_\_\_\_  
or  
 Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken Moved Amendment

Motion Made By Rep. Porter Seconded By Rep. Weisz

Representatives	Yes	No	Representatives	Yes	No
Rep. Clara Sue Price, Chairman	✓		Rep. Audrey Cleary	✓	
Rep. William Deylin, V, Chairman	✓		Rep. Ralph Metcalf	✓	
Rep. Mark Dosch	✓		Rep. Carol Niemeier	✓	
Rep. Pat Galvin	✓		Rep. Sally Sandvig	✓	
Rep. Frank Klein	✓				
Rep. Chet Pollert	✓				
Rep. Todd Porter	✓				
Rep. Wayne Tieman	✓				
Rep. Dave Weiler	✓				
Rep. Robin Weisz	✓				

Total (Yes) \_\_\_\_\_ No \_\_\_\_\_

Absent \_\_\_\_\_

Floor Assignment \_\_\_\_\_

If the vote is on an amendment, briefly indicate intent:

Date: 2-12-01  
Roll Call Vote #: 2

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. HCR 3030

House Human Services Committee

Subcommittee on \_\_\_\_\_  
or  
 Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken DO PASS as Amended (Consent Calendar)

Motion Made By Rep. Klein Seconded By Rep. Pollert

Representatives	Yes	No	Representatives	Yes	No
Rep. Clara Sue Price, Chairman	✓		Rep. Audrey Cleary	✓	
Rep. William Devlin, V, Chairman	✓		Rep. Ralph Metcalf	✓	
Rep. Mark Dosch	✓		Rep. Carol Niemeier	✓	
Rep. Pat Galvin	✓		Rep. Sally Sandvig	✓	
Rep. Frank Klein	✓				
Rep. Chet Pollert	✓				
Rep. Todd Porter	✓				
Rep. Wayne Tieman	✓				
Rep. Dave Weiler	✓				
Rep. Robin Weisz	✓				

Total (Yes) 14 No \_\_\_\_\_

Absent \_\_\_\_\_

Floor Assignment Rep. Galvin

If the vote is on an amendment, briefly indicate intent:

**REPORT OF STANDING COMMITTEE**

HCR 3030: Human Services Committee (Rep. Price, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** and **BE PLACED ON THE CONSENT CALENDAR** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HCR 3030 was placed on the Sixth order on the calendar.

Page 1, line 1, remove "rural"

Page 1, line 2, replace "and" with a comma

Page 1, line 3, replace "between eastern and western" with "within" and after "Dakota" insert "and within the nation, and to delay implementation of the proposed Medicare ambulance reimbursement fee schedule"

Page 1, after line 8, insert:

**WHEREAS**, home health care is an integral service in North Dakota which allows individuals to be expediently discharged from acute care facilities, thereby allowing individuals to be cared for at home and to avoid nursing homes; and

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Page 1, line 15, replace "between eastern and western" with "within"

Page 1, line 16, after "Dakota" insert "and within the nation, and to delay implementation of the proposed Medicare ambulance reimbursement fee schedule"

Renumber accordingly

2001 SENATE HUMAN SERVICES

HCR 3030

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HCR 3030

Senate Human Services Committee

Conference Committee

Hearing Date March 13, 2001

Tape Number	Side A	Side B	Meter #
1	X		
March 13, 2001 1		X	29.1
Committee Clerk Signature <i>Carol Salodichuk</i>			

Minutes:

Vice Chairman Kilzer called the Human Services Committee to order. Senators were all present with the exception of Senator Lee. The hearing on HCR 3030 was opened.

REPRESENTATIVE TODD PORTER, sponsor of the bill, introduced the bill. The Medicare system is flawed, not the same reimbursement in the Eastern half of the state as in the Western half for the same services. There is a different reimbursement in ND than in other states in our region for the same procedures. We drafted this resolution to express our concerns. This is also true in Home Health Care. The proposed Medicare fee schedule. Reimbursements are not based on cost, they are based on bill charges. Ambulances provide one service and know the cost. Medicare fee schedule puts a huge costship into the private sector, where Medicare is under funding the operation of ambulance services, expecting the insurance and the individual person being balanced billed. There are 140 licensed ambulance services in ND. Either 7 or 10 are paid personnel. The rest are volunteer. These services will not survive. We ask that a letter be sent

addressing our concerns as ND to Congress to Mr. Thompson, the Director of HCRFA, and we are also asking the House Ways and Means Committee and the Senate Finance Committee come to ND to address the concerns of rural America and ND in particular.

SENATOR KILZER: When do the new ambulance rates take effect? REP PORTER: The fee schedule was supposed to take effect January 1, but realized the amount of problems that exist with the fee schedule so held off until April 1. With the change of administration everything is put on hold until July 1. We are hoping the new administration will look at the schedule and realize it is not in the best interest of rural America and will suspend it until they can spend more time to study it. SENATOR KILZER: How much of a hit are the ambulances taking in the new fee schedule? REP PORTER: Advanced life support ambulances will not be allowed to balance bill. They will have to accept what Medicare pays. \$500 is the cost; Medicare pays \$300. \$200 will be written off because it is a Medicare patient. We transport about 60% of total revenue is Medicare patients. Medicare will pay on basic rate not on what service was provided. No disposable supplies are reimbursed. The disparity is reimbursement between East and West. DAN ULMER, Blue Cross, Blue Shield, supports bill. Mandatory assignment forces all ambulances to accept payment; it is less than cost. Writing a letter to Congress and ask them to come here and hear about the problem of rural America. Why are people getting more than people in ND. Bring issue to forum and then go back and start working rural area. SENATOR POLOVITZ: Why the parity? MR. ULMER: It is a practiced pattern. Also the population; treatment at end of life is more in Florida. It is also the labor market; pay is more in Florida than in Crosby. SENATOR MATHERN: Is this related to the Bush tax cut? MR. ULMER: Yes, they need to look at this aspect of Medicare. Medicare is not broken it is broke! SENATOR KILZER: The budget reconciliation act predicted this back when it was passed. Medicare is

Page 3  
Senate Human Services Committee  
Bill/Resolution Number HCR 3030  
Hearing Date March 13, 2001

3300 in ND; 6500 in South. MR. ULMER: We are sensitive to this. The choice thing is over in ND; need a better per capita thing. Once deciding factor is if Congress allows prescription drugs in Medicare.

DAVE PESKE, ND Medical Assoc., supports this resolution and the letter going to Congress.

We need to call attention to the situation

No more testimony.

The hearing was closed on HCR 3030.

March 13, 2001, Tape 1, Side B, Meter 29.1.

Discussion Need to define disparity of reimbursement. SENATOR MATHERN moved amendment. SENATOR FISCHER seconded the motion. Discussion. Roll call vote carried 5-0-1. SENATOR MATHERN moved DO PASS AS AMENDED. SENATOR FISCHER seconded the motion. Roll call vote carried 5-0-1. SENATOR MATHERN will carry the bill.

13089.0201  
Title.0300

Adopted by the Human Services Committee  
March 13, 2001

PROPOSED AMENDMENTS TO ENGROSSED HOUSE CONCURRENT RESOLUTION NO. 3030

Page 1, line 9, after "disparity" insert "of reimbursement"

Renumber accordingly

Roll Call Vote #: / Date: 3/13/01

2001 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 3030

Senate HUMAN SERVICES Committee

Subcommittee on \_\_\_\_\_

or

Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken Amendment

Motion Made By Sen Mathern Seconded By Sen Fischer

Senators	Yes	No	Senators	Yes	No
Senator Lee, Chairperson	✓		Senator Polovitz	✓	
Senator Kilzer, Vice-Chairperson	✓		Senator Mathern	✓	
Senator Erbele	✓				
Senator Fischer	✓				

Total (Yes) 6 No 0

Absent 0

Floor Assignment \_\_\_\_\_

If the vote is on an amendment, briefly indicate intent:

Date: 3/13/01

Roll Call Vote #: 2

2001 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 3030

Senate HUMAN SERVICES Committee

Subcommittee on \_\_\_\_\_  
or  
 Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken Do pass as amended

Motion Made By Sen Mathen Seconded By Sen Fischer

Senators	Yes	No	Senators	Yes	No
Senator Lee, Chairperson	✓		Senator Polovitz	✓	
Senator Kilzer, Vice-Chairperson	✓		Senator Mathen	✓	
Senator Erbele	✓				
Senator Fischer	✓				

Total (Yes) 6 No 0

Absent 0

Floor Assignment Sen Mathen

If the vote is on an amendment, briefly indicate intent:

**REPORT OF STANDING COMMITTEE (410)**  
March 16, 2001 3:01 p.m.

Module No: SR-46-5942  
Carrier: T. Mathern  
Insert LC: 13089.0201 Title: .0300

**REPORT OF STANDING COMMITTEE**

**HCR 3030, as engrossed: Human Services Committee (Sen. Lee, Chairman)**  
recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends  
**DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HCR 3030  
was placed on the Sixth order on the calendar.

Page 1, line 9, after "disparity" insert "of reimbursement"

Renumber accordingly