

2005 HOUSE HUMAN SERVICES

HB 1148

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1148

| House Human Services Co | ommittee | | |
|-------------------------|----------|--------|---------|
| ☐ Conference Committee | | | |
| Hearing Date 1/10/05 | | | |
| Tape Number | Side A | Side B | Meter # |

Committee Clerk Signature

Minutes:

Chairman Price opened the hearing on HB 1148. Eleven present, one absent of committee.

D. Zentner: (See attached testimony) Also QSP rate sheet attached.

Rep. Potter: Wondering about those in their own home, seems like the majority of this talks about basic care facilities.

D. Zentner: When we were to submit state plan to provide services in the home, we had to include the basic care facility, because it is one service, it has to be all encompassing service. The federal govt. has never had a problem with this. They have problems with the basic care. They have been struggling these past 15 months even though they had an approved state plan. Basic care is not really what we want to include in personal care; so our fight was not with getting the home portion of it done, but with maintaining our ability to claim Federal dollars. That is what has held.

us up, it's not the home side of it, it's the basic care side. Looks like we be able to maintain about 5 million dollars in Federal dollars. At one point, I thought we were going to lose the whole project.

Rep. Potter: Could you explain the money part of this, there's money going to the basic care facility in one part of the budget, and the home care? How does that work?

D. Zentner: That is correct. There are certain costs that we need to supplement room/board, we use state dollars, Other side, the Federal Govt. says we can claim as personal care. In our system we have 2 rates. We have one, for the 100% state dollars and a rate that we can claim for the personal care portion of it. The 12 million dollars include both dollars that we can match with the Federal Govt. and dollars that we can't match. Depends on the formula, they agree too, that will allow us claim as dollars as we can on the personal care side.

Rep. Sandvig: How will the amount of money compare between what a person will get for personal care as to compare to what they are getting for SPED or expanded SPED.

D. Zentner: The individuals providing the care will be qualified service providers, whether they are SPED/ExpSPED or the waiver or this personal care option, so the rates will basically be the same.

Chairman Price: On the Fiscal Note pertains just to the in home piece of the personal care?

D. Zentner: That is correct.

Chairman Price: Do you have any idea how many of those people that are on SPED/ EXSPED are Medicaid eligible?

Page 3 House Human Services Committee Bill/Resolution Number HB 1148 Hearing Date 1/10/05

D. Zentner: All the people that are on the EXPSPED are eligible. Around 40% of those in SPED are Medicaid eligible, who also receive personal care.

Chairman Price: Anymore in favor/opposition? Hearing is closed.

Hearing reopened: 1/12/05

Rep. Kreidt: Contacted L. Wright, Aging Services and she provided us with the information we were concerned about.

Chairman Price: I think the whole QSP rate is probably an issue, although it is not in this bill.

Rep. Kaldor: Mr. Zentner testimony in regards "If we don't make the law permanent, we will loose these funds and will have to replace with general funds." Are these Medicaid funds/match? Chairman Price: This is the personal care option, yes, that we had to have the waiver for, the effective date just through June 2005. We have to take that out, and I think what he is saying is to please not put another sunset clause on this bill. We were trying to save money for the Medicaid buy in, there was two pieces to this when it was initially presented.

Rep. Kaldor: If we do not do this, we will have a general fund obligation to provide those services entirely.

Rep. Kreidt: Concerned about the rates.

Chairman Price: I was concerned that they were reimbursing to low.

Rep. Porter: Recommend Do Pass and re referred to Approp. Rep Kaldor: second.

Vote: 11 yes - 0 -no - 1 absent Carrier: Rep. Porter MR# 4600

FISCAL NOTE

Requested by Legislative Council 03/16/2005

Amendment to:

Engrossed

HB 1148

1A. State fiscal effect: Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.

| , | 2003-2005 Biennium | | | 2005-2007 Biennium | | | 2007-2009 Biennium | | |
|----------------|--------------------|---------|------|--------------------|-----------|------|--------------------|-------------|--|
| | General Fund | Other F | unds | General Fund | Other Fun | ds | General Fund | Other Funds | |
| Revenues | \$ | 0 | \$0 | \$0 | \$9,508 | ,994 | \$0 | \$9,754,531 | |
| Expenditures | \$ | 0 | \$0 | \$5,152,114 | \$9,508 | ,994 | \$5,672,530 | \$9,754,531 | |
| Appropriations | \$ | 0 | \$0 | \$0 |) | \$0 | \$0 | \$0 | |

1B. County, city, and school district fiscal effect: Identify the fiscal effect on the appropriate political subdivision. 2007-2009 Biennium 2005-2007 Biennium 2003-2005 Biennium School School School Districts Cities

Cities **Districts** Counties

2. Narrative: Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.

This bill would create and enact two new sections to SB 2185, as approved by the 59th legislative assembly, that create an effective date for the medical assistance buy-in program for individuals with disabilities.

This bill also amends and reenacts section 50-24.1-18.1 of the NDCC relating to personal care services for eligible medical recipients who are residing in their own homes. The bill would also would require the department to seek a waiver of federal law to permit the personal care services to be provided by nonlicensed personal care service providers if requested by the recipient and authorized by the department; this requirement would not create additional impact as previously reported.

- 3. State fiscal effect detail: For information shown under state fiscal effect in 1A, please:
 - A. Revenues: Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.

For 2005-2007 \$9,508,994 in federal funds would be received at FMAP rates in effect during the biennium. For 2007-09, federal funds are estimated at \$9,754,531.

B. Expenditures: Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.

For 2005-2007 a total of \$14,661,108 would be expended in medical assistance grants; \$9,508,994 in federal funds would be expended at FMAP rates in effect during the biennium; general funds of \$5,152,114 would be expended as non-federal match.

For 2007-09 a total of \$15,427,061 is estimated to be expended; federal fund expenditures are estimated at \$9,754,531 based on the 2007 FMAP; general funds of \$5,672,530 would be needed for non-federal match.

C. Appropriations: Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive

budget. Indicate the relationship between the amounts shown for expenditures and appropriations.

The appropriations bill for 2005-2007 contains a total of \$14,661,108 in medical assistance grants; \$9,508,994 in federal funds has been requested to be expended at FMAP rates in effect during the biennium; general funds of \$5,152,114 has been requested as non-federal match.

Name:

Brenda M. Weisz

Agency:

Human Services

Phone Number:

328-2397

Date Prepared: 03/17/2005

FISCAL NOTE

Requested by Legislative Council 02/14/2005

Amendment to:

HB 1148

1A. State fiscal effect: Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.

| | | 2003-2005 Biennium | | | 2005-2007 Biennium | | | 2007-2009 Biennium | | |
|----------------|-----------------|--------------------|-------|-----------------|--------------------|-------------|-----------------|--------------------|--|--|
| | General Fund | Other | Funds | General Fund | Oth | er Funds | General Fund | Other Funds | | |
| Revenues | \$ | 0 | \$0 | \$0 |) | \$9,508,994 | \$0 | \$9,754,531 | | |
| Expenditures | \$ | 0 | \$0 | \$5,152,114 | 4 | \$9,508,994 | \$5,672,530 | \$9,754,531 | | |
| Annropriations | \$ | 0 | \$0 | \$0 |) | \$0 | \$0 | \$0 | | |

1B. County, city, and school district fiscal effect: Identify the fiscal effect on the appropriate political subdivision.

| ļ | | 3-2005 Bienn | | | 5-2007 Bienn | ium | 2007 | 7-2009 Bienni | ium |
|---|----------|--------------|---------------------|----------|--------------|---------------------|----------|---------------|---------------------|
| | Counties | Cities | School Districts | Counties | Cities | School Districts | Counties | Cities | School Districts |
| | \ \$C | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$9 | φυ |

2. Narrative: Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.

This bill would amend and reenact section 50-24.1-18.1 of the NDCC relating to personal care services for eligible medical recipients who are residing in their own homes. The bill would also would require the department to seek a waiver of federal law to permit the personal care services to be provided by nonlicensed personal care service providers if requested by the recipient and authorized by the department; this requirement would not create additional impact as previously reported.

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Name: Phone Number:

Brenda Weisz 328-2397

Human Services

Agency: Human Sen Date Prepared: 02/14/2005

FISCAL NOTE

Requested by Legislative Council 01/03/2005

Bill/Resolution No.:

HB 1148

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| Ū | 2003-2005 Biennium | | 2005-2007 | Biennium | 2007-2009 Biennium | | |
|-----------------------|--------------------|-------|-----------|-----------------|--------------------|-----------------|-------------|
| | General Fund | Other | Funds | General Fund | Other Funds | General Fund | Other Funds |
| Revenues | \$ | 0 | \$0 | \$0 | \$9,508,994 | \$0 | \$9,754,531 |
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| | 2003 | -2005 Bienn | ium | 2005 | 5-2007 Bienn | ium | 2007 | -2009 Bienni | ium | |
|--|----------|-------------|---------------------|----------|--------------|---------------------|----------|--------------|---------------------|--|
| | Counties | Cities | School Districts | Counties | Cities | School Districts | Counties | Cities | School Districts | |
| | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |

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Name: Phone Number: Brenda M. Weisz 328-2397

Human Services

Agency: Human Service Prepared: 01/07/2005

2005 HOUSE STANDING COMMITTEE ROLL CALL VOTES BILL/RESOLUTION NO. HB /148

| Check here for Conference Committee Legislative Council Amendment Number Action Taken Do Pass - Reliqueed to app. committee Motion Made By Replanter Seconded By Repfeller Representatives Yes No Representatives Yes No Chairman C.S.Price (x) Rep.L. Kaldor (x) Rep. V. Pietsch (x) Rep.L. Potter (x) Rep. V. Pietsch (x) Rep.S. Sandvig (x) Rep.J.O. Nelson (x) Rep.T. Porter (x) Rep.G. Uglem (x) Rep.G. Uglem (x) Rep.C. Damschen (x) Rep.R. Weisz (x) | House | Human Services | Committee |
|---|--|--|----------------|
| Action Taken Do Pass - he hefered to App. committee Motion Made By Rep Parter Seconded By Rep Kalder Representatives Yes No Representatives Yes No Chairman C.S.Price (X) Rep.L. Kaldor (R) V Chrm.G. Kreidt (X) Rep.L. Potter (X) Rep. V. Pietsch (X) Rep.S. Sandvig (X) Rep.J.O. Nelson (X) Rep.W.R. Devlin (X) Rep.T. Porter (X) Rep.G. Uglem (X) Rep.C. Damschen (X) Rep.R. Weisz (X) | Check here for Conference | e Committee | |
| Representatives Chairman C.S.Price (X) Rep.L. Kaldor V Chrm.G. Kreidt Rep. V. Pietsch Rep.J.O. Nelson Rep.W.R. Devlin Rep.T. Porter Rep.G. Uglem Rep.R. Weisz Rep.R. Weisz No Representatives Rep.L. Kaldor Rep.L. Potter Rep.S. Sandvig AB Rep.S. Sandvig | Legislative Council Amendmen | nt Number | |
| Representatives Chairman C.S.Price (X) Rep.L. Kaldor V Chrm.G. Kreidt Rep. V. Pietsch Rep.J.O. Nelson Rep.W.R. Devlin Rep.T. Porter Rep.G. Uglem Rep.R. Weisz Rep.R. Weisz No Representatives Rep.L. Kaldor Rep.L. Potter Rep.S. Sandvig AB Rep.S. Sandvig | Action Taken Do Pas | s) - Re Referred to app. con | noviettee) |
| Chairman C.S.Price V Chrm.G. Kreidt Rep. V. Pietsch Rep.J.O. Nelson Rep.W.R. Devlin Rep.T. Porter Rep.G. Uglem Rep.C. Damschen Rep.R. Weisz | Motion Made By Rep Pa | exter Seconded By Rep Ka | ildov |
| Rep.R. Weisz | Chairman C.S.Price V Chrm.G. Kreidt Rep. V. Pietsch Rep.J.O. Nelson Rep.W.R. Devlin Rep.T. Porter Rep.G. Uglem | Rep.L. Kaldor Rep.L. Potter Rep.S. Sandvig AB X X X X | = = |
| Total (11) yelas No O Absent 1 Floor Assignment Rep Parter | Rep.R. Weisz Total (//) Ylas Absent / | No O | |

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

REPORT OF STANDING COMMITTEE (410) January 14, 2005 12:24 p.m.

Module No: HR-09-0483 Carrier: Porter Insert LC: Title:

REPORT OF STANDING COMMITTEE

HB 1148: Human Services Committee (Rep. Price, Chairman) recommends DO PASS and BE REREFERRED to the Appropriations Committee (11 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1148 was rereferred to the Appropriations Committee.

(2) DESK, (3) COMM Page No. 1 HR-09-0483

2005 HOUSE APPROPRIATIONS

IIB 1148

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2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 1148

Personal care services in home

House Appropriations Committee **Human Resources Division**

Hearing Date: 2-3-05 Thursday a.m.

Tape Number

Side A

Side B

Meter #

I

X

51.5

X

12.4

Committee Clerk Signature Diane M Ounley

Minutes: Chairman Delzer called the meeting to order at 9:59 a.m.

Dave Zentner, Director of Medical Services for the Department of Human Services: House

Bill 1148 basically removes the sunset clause. (*Tape I Side B starts*)

Chairman Delzer: Is the reason for the emergency clause for the thirty days between July and

August?

Zentner: Correct.

Allen/LC: To go into effect before August 1, an emergency clause is needed.

Chairman Delzer: This is built into the Medicaid Personal Care option.

Rep. James Kerzman: I had Allen (LC) draft an amendment (see one-page Amendment

Proposal 58218.0101 handout).

Chairman Delzer: What is the licensing process for a QSP?

Zentner: We do not have one. They have to be competent, usually a RN. Rep. Kerzman is trying to provide for unlicensed caregivers in home situations.

Hearing Date: 2-3-05

Chairman Delzer: Can't you just set up a contract where a caregiver or client waives rights?

Zentner: That is only part of the problem. The feds would not have a problem as long as there is proper delegation.

Chairman Delzer: Dave, can you get us some language by next week if their provision does not go through?

Rep. Kerzman: That's OK.

Chairman Delzer: When you submit a waiver, is it a note? Or delivered in person?

Zentner: A waiver document covers later with the detail. Then the negotiating process begins and may include direct contact.

Chairman Delzer: Wouldn't it carry more weight if we had money in the budget for the director and some key folks could go to the top to deal with it?

Zentner: Possibly. I tend to work through the process as much as possible.

Rep. Kerzman: This should be a positive on the budget right?

Zentner: Bottom line, for the most part, yes. Two factors are involved: cost and quality. Younger folks want to take more control of their case. If they need a lot of professional care it can get costly.

Chairman Delzer: I don't think it should be an entitlement. For two years it should be at the discretion of the department an on a case-by-case with evaluation of cause and care. (Rep. Kerzman came in.)

Tove Mandigo, Special Assistant to Executive Director of the Department of Human

Services: We are looking at two cases specifically on a pilot basis and are pursing waivers and

Page 3 Human Resources Division Bill/Resolution Number 1148 Hearing Date: 2-3-05

are committed to making it work for these people. There is also a single-pointed entry grant that looks at studying costs like these. We are looking for other means of raising money as well.

Zentner: I received a call from someone in Oklahoma where the FMAP is dropping dramatically. He was looking for relief and we hooked him up with Senator Conrad's office.

Chairman Delzer: We need language by Wednesday on what direction to go.

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 1148

House Appropriations Committee Human Resources Division

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Hearing Date: 2-7-05 Monday p.m.

Tape Number

Side A

Side B

Meter #

X

27.0 - 43.6

Committee Clerk Signature Diane M. Ovuby

Minutes: Chairman Delzer called the meeting to order, opening discussion of HB 1148. The

Personal Care Option is allowed, the waiver is verbally okay, but it is expected in writing. It

takes the sunset off and makes it a permanent program.

Rep. Kerzman: I have an amendment (see proposed amendment 58218.0101) and move it.

Rep. Metcalf: I second it. If it fails here, can we still offer it again in full committee?

Chairman Delzer: Yes. The essence of the amendment is to try and allow the department the

authority to make the way for cases that can be served more reasonably outside of the nursing

home. A non-licensed person can be trained to perform the tasks. If it applies to everyone, it is

too wide. They should use discretion for cases. They should be requested and then approved.

Rep. Kerzman: The client would have to want it, too.

Chairman Delzer: Rep. Kerzman, how would you feel if we put something like "The

department shall seek a waiver of federal law to prevent the personal care services authorized

Page 2

Human Resources Division

Bill/Resolution Number 1148

Hearing Date: 2-7-05

under this section and request it by the recipients authorized by the department to be provided by

non-licensed personal care service providers."

Rep. Kerzman: I am fine with that.

Chairman Delzer: Allen, use language that requires a request and then approval.

Rep. Kerzman: I make that amended motion.

Rep. Metcalf: I second it.

Chairman Delzer: We will do a voice vote. Motion amended by unanimous vote.

Rep. Wieland: Review the fiscal note, please.

Chairman Delzer: If we get approval of the waiver, it is a way for us to receive federal dollars

on the Personal Care Option.

Vice Chair Pollert: For every cause there is an effect, so are we getting more bang for our buck?

Chairman Delzer: Before, it was 100% General fund; now about 35% would be federal. When

we go with all State money, we can say who gets the money and who does not. We have to be

careful not to say it is an entitlement and therefore open to everyone.

Rep. Kerzman: It allows a person to stay home longer before entering a nursing home.

Rep. Wieland: I would move a Do Pass As Amended on HB 1148.

Rep. Kerzman: I second it.

Rep. Bellew: It is already in the current budget? Why the fiscal note on this?

Chairman Delzer: Yes. No appropriation is in the bill. So there needs to be a fiscal note.

By unanimous vote, motion passes with Due Pass As Amended. Rep. Kerzman will carry the

bill. Diane, contact Dave Zentner with a copy of the amendment as it gets finalized so he can

Page 3 Human Resources Division Bill/Resolution Number 1148 Hearing Date: 2-7-05

voice any concerns before it comes to full committee. Otherwise, he has the other side to work

on.

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1148 Home Medical Assistance

| House | Appro | priations | Full | Committee |
|-------|--------|-----------|------|-----------|
| | LIPPIO | | | |

☐ Conference Committee

Hearing Date February 9, 2005

Tape Number | Side A | Side B | Meter # #9.9 - #20.0

Committee Clerk Signature | Mus Hexander

Minutes:

Rep. Ken Svedjan, Chairman opened the discussion on HB1148.

Rep. James Kerzman explained that this bill allows the department to request a waiver from the federal government to do personal care in the home. The waiver has been accepted so now this allows them to use federal funds at the FMAPP rate to do home care which accounts for the \$9 million in the fiscal note saving about \$5 million in general funds. The amendment will allow the department to seek a waiver for unlicensed care at the recipients request. We had a lot of testimony confirming that the recipients saved a lot of money by having personal care done this way.

Rep. James Kerzman moved to adopt amendment #0102 to HB1148.

Rep. Pam Gulleson seconded.

Rep. Ken Svedjan, Chairman clarifies that the amendment makes the changes for the requirements for the provider in the home.

Rep. Jeff Delzer explained the way he reads the amendment is that the department can seek a waiver so they can do this. Currently some people are already doing this. We also added that the recipient had to request this and the department had to approve it. This is all in the budget and we are taking the sunset clause off of the personal care option and the dollars figure out as reduced general fund cost for home and community based care.

Rep. Keith Kempenich asked why in the next biennium are the federal funds going up \$200,000 and the general funds going up \$400,000.

Rep. Jeff Delzer explained that it was the way the FMAPP was figured and there is some entitlement to this and that you would be serving some people whom you were not serving before. FMAPP is expected to go down and this is just a guess.

Rep. Ken Svedjan, Chairman called for a voice vote to adopt amendment #0102 to HB1148.

Motion carried.

Rep. Ole Aarsvold asked if a family member would qualify as a non-licensed caregiver.

Rep. James Kerzman answered that it would have to be approved through the department, but I think they could. I'm not quite sure of this.

Rep. Jeff Delzer answered that its hard to say and that it depends on what the waiver says. In the past the federal government did not like to do this but we are hoping that this is one of the things that would change with these waivers. (meter Tape #1, side A, #13.6)

Rep. Ken Svedjan, Chairman commented that this is a wait and see thing to see what the federal government will allow, how the waiver is written and what the department approves.

Rep. James Kerzman moved a Do Pass As Amended motion for HB1148.

Rep. Ralph Metcalf seconded.

Rep. Ken Svedjan, Chairman asked for an explanation on the waiver that was received that would provide additional federal funds that will supplant some of what we put into the SPED program right now.

Rep. James Kerzman answered that the waiver isn't 100%. The department said that this has gone through and it will allow us to do personal care in the home. Prior to this the only way we could do this was through long term care.

Rep. Ken Svedjan, Chairman asked what the net effect will be to the general fund as it relates to the SPED.

Rep. James Kerzman answered that there will be savings since we will be using federal funds instead of general funds.

Rep. Jeff Delzer commented that we passed the personal care option the last time along with the Medicaid buy-in. You can charge this under FMAPP and receive this rate which lowers the SPED cost which is 95% general fund and 5% county. This is changing then to 1/3 general fund to 2/3 federal funds. We requested an expansion of the waiver that we received before and they said no. We have then worked to get this re-approved and now they have verbal approval but they don't have it in writing yet. What it does is shift the personal care option in the upcoming budget from \$1 million to around \$5 million, but it lowers the number of people on SPED so we can take \$2 million out of general fund and still cover everyone who requests funds.

Rep. Ken Svedjan, Chairman clarified that when the budget came in there was recommended increase in SPED which is 95% general fund money. This waiver has the effect of supplanting some of that and it does it because it takes people off SPED who are now being cared for in

homes and thus a \$2 million reduction in general fund spending relative to SPED. (meter Tape #1, side A, #18.4)

Rep. Jeff Delzer answered yes and no. This is more on the utilization numbers that they expected when they put the budget together. This money has always been in the budget so we can't tell you specifically what that change is. We can only tell you what they requested.

Rep. Ken Svedjan, Chairman commented that they were anticipating a reduction in the amount of general fund spending through this.

Rep. Jeff Delzer answered yes and that if they weren't doing this we would have to appropriate most of the federal fund money to cover the same people.

Rep. Ken Svedjan, Chairman called for a roll call vote on the Do Pass As Amended motion on HB1148. Motion carried with a vote of 22 yeas, 0 neas, and 1 absence. Rep Kerzman will carry the bill to the house floor.

Rep. Ken Svedjan, Chairman closed the discussion on HB1148.

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1148

Page 1, line 10, after the period insert "The department shall seek a waiver of federal law to permit disabled and elderly individuals to direct their own care and to permit personal care services authorized under this section to be provided by nonlicensed personal care service providers."

58218.0101 Title. Prepared by the Legislative Council staff for Representative Kerzman January 31, 2005

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1148

Page 1, line 10, after the period insert "The department shall seek a waiver of federal law to permit the personal care services authorized under this section to be provided by nonlicensed personal care service providers."

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1148

Page 1, line 10, after the period insert "The department shall seek a waiver of federal law to permit the personal care services authorized under this section to be provided by nonlicensed personal care service providers if requested by the recipient and authorized by the department."

Date: 2/7/05 Mon. A.m.

Roll Call Vote #: ...

2005 HOUSE STANDING COMMITTEE ROLL CALL VOTES BILL/RESOLUTION NO. 1148

| House Appropriations - Hun | man Resour | rces | | Comr | nittee |
|---|------------|------|--|------|--------|
| Check here for Conference C | Committee | | | | |
| Legislative Council Amendment | Number | 58 | 218.0102 | | |
| Action Taken | Pass As | Ame | inded | | |
| Motion Made By Rep. | | Se | conded By Rep. | | |
| Representatives | Yes | No | Representatives | Yes | No |
| Chairman Jeff Delzer Vice Chairman Chet Pollert | \ _ | | Rep. James Kerzman Rep. Ralph Metcalf | | |
| Rep. Larry Bellew | | | Kep. Kaipii Wetcan | | |
| Rep. Alon C. Wieland | / | | | | |
| | | | | | |

Total (Yes) 6

No O

Absent

Floor Assignment Rep. Kerzman

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

Directs the department to seek a waiver to permit personal care services by nonlicensed caregivers if requested by the recipient and authorized by the department.

Date:

February 9, 2005

Roll Call Vote #:

1

2005 HOUSE STANDING COMMITTEE ROLL CALL VOTES BILL/RESOLUTION NO. HB1148

House Appropriations - Full Committee

| Check here for | Conference Com | mittee | | · | | | |
|---------------------|----------------|----------------------|-------|------------|--------------|-----|----|
| Legislative Council | Amendment Num | ıber | | | 58218.0102 | | |
| Action Taken | DO PASS AS AN | MENDI | EĎ | | , | | * |
| Motion Made By | Rep Kerzman | | Secon | ded By | Rep Metcalf | | |
| Represen | ntatives | Yes | No | Rep | resentatives | Yes | No |
| Rep. Ken Svedjan, | Chairman | \mathbf{X} | Re | ep. Bob | Skarphol | AB | |
| Rep. Mike Timm, | Vice Chairman | X | Re | ep. Davi | d Monson | X | |
| Rep. Bob Martinso | on | \mathbf{X} | Re | ep. Eliot | Glassheim | X | |
| Rep. Tom Brusega | ard | X | Re | ep. Jeff I | Delzer | X | |
| Rep. Earl Rennerfe | eldt | X | Re | ep. Chet | Pollert | X | |
| Rep. Francis J. Wa | ld . | \mathbf{X}^{\cdot} | Re | ep. Larry | Bellew | X | |
| Rep. Ole Aarsvold | | X | Ŗ | ep. Alon | C. Wieland | X | |
| Rep. Pam Gullesor | 1 . | X | Re | эр. Jame | s Kerzman | X | |
| Rep. Ron Carlisle | | \mathbf{X} | Re | ep. Ralpl | h Metcalf | . X | |
| Rep. Keith Kemper | nich | X | | | • | | |
| Rep. Blair Thoreso | n | X | | | | | |
| Rep. Joe Kroeber | | X | | | | | |
| Rep. Clark Willian | ns | X | | | | | |
| Rep. Al Carlson | | X | | | | | |
| Total Yes | <u>22</u> | | No | | 0 | | |
| Absent | | | 1 | | | | |
| Floor Assignment | Rep Kerzmai | 1 | | | | - | |

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

REPORT OF STANDING COMMITTEE (410) February 10, 2005 9:22 a.m.

Module No: HR-27-2374 Carrier: Kerzman

Insert LC: 58218.0102 Title: .0200

REPORT OF STANDING COMMITTEE

HB 1148: Appropriations Committee (Rep. Svedjan, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (22 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1148 was placed on the Sixth order on the calendar.

Page 1, line 10, after the period insert "The department shall seek a waiver of federal law to permit the personal care services authorized under this section to be provided by nonlicensed personal care service providers if requested by the recipient and authorized by the department."

2005 SENATE HUMAN SERVICES

HB 1148

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1148

Senate Human Services Committee

☐ Conference Committee

Hearing Date February 28, 2005

| Tape Number | | Side A | Side B | Meter# |
|-------------|---|--------|--------|-----------|
| - | 2 | X | | 570-2790 |
| | 2 | | X | 4080-5400 |

Committee Clerk Signature Cuttly Minary

Minutes:

Vice Chairman Dever opened the public hearing on HB 1148. All members were present.

This bill relates to personal care services for eligible medical assistance recipients who are residing in their own homes.

There was no legislator present to introduce this bill.

Testimony in favor of the bill

David Zentner, Director of Medical Services for the Department of Human Services. See written testimony (Attachment 1).

Sen. Warner: With the amendments, is there a liability issue. For example, if a homebound person was directing their own care, are they assuming the liability for something going wrong if they choose a non-licensed provider, or someone under trained; does that absolve the department from any liability, or am I off base here?

Page 2 Senate Human Services Committee Bill/Resolution Number HB 1148 Hearing Date February 28, 2005

Zentner: That is an issue we're concern about and we would have to address through this process. How much risk do you allow individuals to take on. Normally, what would happen, in a medical situation, the way the nurse practice act is today, you can have individuals who are unlicensed take on those duties if the supervising nurse agrees they're available to do it and is willing to allow them do it through an approval process. Risk is an issue and there are individuals who really feel strongly about this and are willing to take on that risk. The issue is, how does that work legally for us? Those are issues that are still outstanding and we need to deal with when and if we would get the waiver.

Sen. Warner: Does the definition of 'non-licensed personnel' include family members?

Zentner: Generally not, because family members can provide any type of service they're trained to do and there's no requirement in the nurse practice act

Sen. Warner: But it's nonreimburseable to family members?

Zentner: For Medicaid purposes, it could be depending on the relationship. However, in our SPED program there is a family home care option so we do pay for family home care for spouses and parents taking care of kids. That's generally all state dollars.

Sen. Brown: Some if not all of all private coverage of this sort requires certified personnel. If this passes, will that effect private insurance as well?

Zentner: It shouldn't, this should be specific only to assistance

Sen. Brown: Do you think they would take the hint and change the policies to non certified?

Zentner: I couldn't speculate on that. We still have to operate in the confines of the nurse practice act too.

Chairman Lee gave an example of a friend with Lou Gehrigs Disease and how he is reaching the limit of his insurance coverage. It would help him if non-certified individuals were allowed to help him instead of nurses, by saving money.

Cathy Hogan, County Director of the Week, Cass County Director: We are excited about this bill because we are facing those situations where we have needs and the current program doesn't meet the needs. We have a number of clients who want to direct their own care and that means hiring their own people and taking their own risks. We see this bill as being very positive in helping the state address the Holmstead supreme court decision. We think this shows a good faith effort on the part of the state to move toward more community based effort. One of the bumps we're worried about is called 'recipient liability.' We started looking at this a year and a half ago, and we started to look at some cases and there will be some individuals who will have higher recipient liability and higher out of pocket expenses with this, we think it will be about 10%. But we want you to be aware that for some people that are currently receiving in-house care services there will be a negative financial impact. We see no way around it and because it's good for the majority of the clients, we're supporting the bill.

Sen. Warner: Are you convinced that the issue of liability and transfer of liability, that if we handle that rule we don't have to handle it legislatively?

Hogan: I think they can.

Chairman Lee: How does SPED tie into this?

Hogan: It's a transfer from general fund obligations to Medicaid. It's a positive thing.

David Brauten, President of North Dakota's AARP Government Affairs Committee. We have been looking for this type of program a long time. Consequently, we are in favor.

Page 4 Senate Human Services Committee Bill/Resolution Number HB 1148 Hearing Date February 28, 2005

Living in Fargo. See written testimony (Attachment 2)

Jim Jacobson, Director of Protective Services for the North Dakota Protection and Advocacy Project. See written testimony (Attachment 3)

There was no further testimony. Chairman Lee closed the public hearing.

Chairman Lee: I have a question on your amendment. Is there anything we need to know about that?

Zentner: It just makes it clear that we want the type of waiver that would allow people to manage their own care.

There was no further testimony. Chairman Lee closed the hearing. No action was taken. Chairman Lee reopened the discussion.

Sen. Brown: Mr. Zentner brought up something I have a question about. He said recipient liability will be a problem.

Chairman Lee: Kathy talked about that as well. Recipient liability for some residents is going to increase up to 10% by doing it this way but there are far more numbers that will benefit from this.

Kathy Hogan: That was a preliminary guess. For some people it will mean out of pocket expenses of \$300-\$400 more a month to get the same amount of care. We really didn't see any way around it. We asked if there was some way to waive the recipient liability for transition periods so existing clients didn't have that, and it wasn't allowed in the waiver, the Feds wouldn't allow it.

Chairman Lee: Do you know how many people will be effected?

Page 5 Senate Human Services Committee Bill/Resolution Number HB 1148 Hearing Date February 28, 2005

Hogan: About 10-15% in Cass. It might be higher in another county.

Chairman Lee: Will it be more people or more dollars or both?

Hogan: It really won't change our enrollments from our current caseloads. Long-term we think more people will be eligible for in-home case service. So that's a good piece. But for some clients, their out-of-pocket expenses are going to go up.

Sen. Lyson: I think the bill is good, but when we keep talking about this liability, it really bothers me because, Shirley and I do this in our community, taking care of several people, on a daily basis, we go into their home and make dinner, etc., they're not on any type of assistance or anything, but if we're doing this, and something would happen, where's our liability with that? That worries me.

Hogan: This bill will help us with the liability.

Kathy Hogan refreshed the committee on what recipient liability is and fielded questions about it.

Senator Brown moved DO PASS on the amendment offered by Mr. Zentner, seconded by Senator Dever. VOTE: 5 yeas, 0 nays, 0 absent

Senator Brown moved DO PASS the amended bill, seconded by Senator Lyson.

VOTE: 5 yeas, 0 nays, 0 absent Carrier: Senator Brown

Chairman Lee adjourned the meeting.

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1148

| Canata | Human | Services | Com | mittee |
|--------|-------|-----------|-------|---------|
| Senate | пишан | OCI VICES | CUIII | HILLICC |

2

☐ Conference Committee

Hearing Date March 16, 2005

Tape Number

Side A

Side B

Meter #

1070-1400

Committee Clerk Signature Colley Municipal

Minutes:

Chairman Lee reopened discussion on HB 1148. All members were present.

Chairman Lee: The intern will explain the amendments on 1148 because, as you will recall, that's the bill which talks about personal care items and that a person can have a personal care provider that was not a professional (SB 2185. We also amended on, for the Medicaid buy-in, the workers with disabilities program, the emergency clause because otherwise they would be without funding for 30 days, and obviously we didn't want that. So it ended up being discovered a little late and it was attached to 1148 in order to make sure it was someplace germane.

Carlee McLeod (intern): After talking to legislative council, this is the amendment that the committee originally passed (attached to Mr. Zentner's testimony of 2/28/05). This isn't the way it looked when it came back because there were only a few phrases that were different from the existing language, so they let us keep the existing language. The bill requests what you passed,

but this whole phrase wasn't put in there because parts of the phrase was already in there. Then I got an e-mail from Chairman Lee with this addition to SB 2185 from Mr. Zentner with the buy-in. So I added it to the amendment and what resulted was an amendment that looked very confusing, because there are two section 2's and two section 3's to emergency clauses and two effective dates. What legislative council explained to me: section one is the original amendment, section two includes the next section 2 and 3 because that is adding section 2 and 3 onto Senate Bill 2185. That's the emergency and effective date that needed to be put on.

Chairman Lee: So lines 17 through 20 apply to the same thing?

McLeod: Yes. Twenty-one and 22 are the emergency and effective dates onto the portion of 1148 that we had. Those dates were on this bill that went to our committee, but they're also necessary to keep on this bill and we didn't remove them or anything in committee. But they're also necessary to make sure that emergency and effective date that we put 2185 would take place right away.

Sen. Brown: I'm lost. The amendment we passed today needed to be added to the bill. So when I carry this bill, the bill will be okay?

McLeod: Everything's okay.

Sen. Warner: So the emergency clause has to pass on this bill in order for the emergency to pass on 1148, or even be on the bill?

McLeod: Correct.

Chairman Lee: So, line 17 through 20 apply to bill 2185, lines 21 and 22 apply to 1148.

Chairman Lee ended discussion on HB 1148.

Date: 2-28-05
Roll Call Vote #: /

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES BILL/RESOLUTION NO. 1148

| Senate Human Services | | Committee |
|---|----------------------------------|-----------|
| Check here for Conference Comm | nittee | |
| Legislative Council Amendment Num | ber | |
| Action Taken Do Pass an | indepent | |
| Motion Made By | Brown Seconded By | Su Dever |
| Senators Chairman | Yes No Senators Sen. John Warner | Yes No |
| Sen. Judy Lee - Chairman Sen. Dick Dever - Vice Chairman | Sen. John Warner | |
| Sen. Richard Brown | V | |
| Sen. Stanley Lyson | \vee | |

Total (Yes)

d

lo.

Absent

Floor Assignment

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

Date: 2-28-05

Roll Call Vote #:

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES BILL/RESOLUTION NO. HB/148

| Senate Human Services | Committee |
|---|-----------|
| Check here for Conference Committee | |
| Legislative Council Amendment Number | |
| Action Taken Do Pan as amended | |
| Motion Made By Seconded By | Sin Lyson |
| Senators Yes No Senators | Yes No |
| Sen. Judy Lee - Chairman Sen. John Warner | |
| Sen. Dick Dever - Vice Chairman | |
| Sen. Richard Brown | |
| Sen. Stanley Lyson | |

Total (Yes)

Absent

Floor Assignment

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

Module No: SR-47-4941

Carrier: Brown Insert LC: 58218.0201 Title: .0300

REPORT OF STANDING COMMITTEE

HB 1148, as engrossed: Human Services Committee (Sen. J. Lee, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS and BE REREFERRED to the Appropriations Committee (5 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1148 was placed on the Sixth order on the calendar.

- Page 1, line 1, after "to" insert "create and enact two new sections to Senate Bill No. 2185, as approved by the fifty-ninth legislative assembly, relating to the effective date of the medical assistance buy-in program for individuals with disabilities; to"
- Page 1, line 11, replace "the" with "disabled and elderly individuals to direct their own care and to permit"
- Page 1, line 12, replace "if requested by the recipient and" with an underscored period
- Page 1, replace line 13 with:

"SECTION 2. Two new sections to Senate Bill No. 2185, as approved by the fifty-ninth legislative assembly, are created and enacted as follows:

SECTION 2. EFFECTIVE DATE. This Act becomes effective on July 1, 2005.

SECTION 3. EMERGENCY. This Act is declared to be an emergency measure."

Renumber accordingly

2005 SENATE APPROPRIATIONS

HB 1148

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 1148

| Senate Appropriations Co | mmuee | | |
|--------------------------|--------|--------|-----------|
| ☐ Conference Committe | e | | |
| Hearing Date March 21, 2 | 005 | | |
| Tape Number | Side A | Side B | Meter# |
| 1 | а | | 3091-3868 |

Committee Clerk Signature

Minutes:

Chairman Holmberg called the hearing to order on HB 1148.

David Zentner, Director, Medical Services, Division of Human Services (DHS) provided written testimony and testified in support of HB 1148, indicating the original bill did not have an emergency clause to provide the personal care option as a permanent service for individuals residing in their homes.

Senator Robinson asked if this is in HB 1012 now. The response was it is fully funded and in the HB 1012 budget.

Senator Holmberg indicated this bill is making this portion permanent.

Bruce Murry, Attorney, ND Protection and Advocacy (P&A), presented written testimony and testified in support of HB 1148 indicating the bill fills the gap of existing services so individuals can direct their own care.

Page 2 Senate Appropriations Committee Bill/Resolution Number 1148 Hearing Date March 21, 2005

Senator Fischer moved a DO PASS as amended, Senator Krauter seconded. The motion carried with a 15 yes and 0 no 0 absent. The motion carried.

Chairman Holmberg closed the hearing on HB 1148.

Date 3-21-05
Roll Call Vote #:

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES BILL/RESOLUTION NO. SB (\US

| Senate SENATE APPROPRIATIONS | | Committee |
|---|--|-----------|
| Check here for Conference Committee | | |
| Legislative Council Amendment Number | 4 | |
| Action Taken | 7133 | |
| Motion Made By | Seconded By | |
| Senators CHAIRMAN HOLMBERG VICE CHAIRMAN BOWMAN VICE CHAIRMAN GRINDBERG SENATOR ANDRIST SENATOR CHRISTMANN SENATOR FISCHER SENATOR KILZER SENATOR KRINGSTAD SENATOR SCHOBINGER SENATOR THANE | No Senators SENATOR KRAUTER SENATOR LINDAAS SENATOR MATHERN SENATOR ROBINSON SEN. TALLACKSON | Yes No |
| Total (Yes) /5 Absent Floor Assignment | No O | |
| If the vote is on an amendment, briefly indicate i | intent: | |

REPORT OF STANDING COMMITTEE (410) March 21, 2005 1:37 p.m.

Module No: SR-51-5568
Carrier: Brown
Insert LC: Title:

REPORT OF STANDING COMMITTEE

HB 1148, as engrossed and amended: Appropriations Committee (Sen. Holmberg, Chairman) recommends DO PASS (15 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1148, as amended, was placed on the Fourteenth order on the calendar.

2005 HOUSE HUMAN SERVICES

CONFERENCE COMMITTEE

HB 1148

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1148

House Human Services Committee CONFERENCE COMMITTEE

Conference Committee

Hearing Date April 1, 2005

Tape Number

Side A

Side B

Meter#

Committee Clerk Signature

Minutes:

Committee Members:

House Chairman Porter, Rep. Price, Rep. Potter

Senate Chairman Lyson, Sen. Brown, Sen. Warner

Chairman Porter opened conference meeting.

Chairman Porter: In regards to HB 1148, the Senate added the emergency clause and we wanted to make sure that they fit with what was currently being done, and Rep. Price has some additional information for us in regards to that.

Chairman Price: I don't think we had any objection to what was being done, but after what we went through with SB 2297, and the amount of time it took us to get it correct, we just wanted to double check that it had been drafted correctly. I went up to LC and met with Vonette and she went through it and even though it looks really awkward, it is drafted in the correct form. Lines 17-20 are the parts that are added and all of that refers to SB 2185 which makes the effective date

Page 2 House Human Services Committee Bill/Resolution Number HB 1148 Hearing Date April 1, 2005

July 1st.so we had no problems with the workers with disabilities act, or Medicaid buy in as we know it and the emergency clause with the effective date on it. I didn't want there to be any glitches in getting this done. I thought another time set to look and finalize it would not hurt. I have no objections to the bill as it is currently drafted..

Sen. Warner: lines 21-22 refer to HB 1148 and lines 17-20 refers to SB 2185. I have never seen anything like this before.

Rep. Price: Neither had I. I checked with several of our colleagues, including Rep. Kaldor and he nor they had ever seen it either. That's why I didn't concur, no other reasons..

Sen. Lyson: Lines 19-20 refers to SB 2185, and lines 21-22 refers HB 1148.

Sen. Brown: If the indentations weren't there, we could probably understand it better.

Chairman Price: Mr. Chairman, without the questions from the Senators, I am even happier that I asked that this go to the conference. I would move that the House accede to the Senate amendments.

Rep. Potter: Second.

Rep. Porter: House accedes to Senate amendments on engrossed HB 1148.

Vote: 6-0-0 Passed.

Chairman Porter closed the hearing.

REPORT OF CONFERENCE COMMITTEE (ACCEDE/RECEDE)

| Bill Number #B 1148 | (, as (re)engrossed): | Date: 4/ | 11/05 |
|--|--|--|-----------------------------|
| Your Conference Committee | Human Seri | illes | |
| the (Senate/M | (SENATE HOUSE) | For the House: Charles Park Rep Patter CCEDE to) (RECEDE for (SJ/HJ) page(s) 1234 e Seventh order. | |
| Seven | further) amendments a th order: been unable to agree, a new committee be appo | recommends that the com | on the mittee be discharged |
| ((Re)Engrossed) | - | eventh order of business of | on the calendar. |
| DATE: 4/1/05 CARRIER: Rep Po | Ther | | |
| LC NO. | of amendment | ÷ | |
| LC NO. | of engrossment | | |
| Emergency clause added or Statement of purpose of am | | | , |
| MOTION MADE BY: | ep trice, | | |
| SECONDED BY: Ko | p Patter | | |
| VOTE COUNT <u>/o</u> YI | es <u>6</u> no <u>6</u> | ABSENT | · · · · · · |
| Revised 4/1/05 | • | | |

REPORT OF CONFERENCE COMMITTEE (420) April 6, 2005 11:51 a.m.

Module No: HR-63-7440

Insert LC: .

REPORT OF CONFERENCE COMMITTEE

HB 1148, as engrossed: Your conference committee (Sens. Lyson, Brown, Warner and Reps. Porter, Price, Potter) recommends that the HOUSE ACCEDE to the Senate amendments on HJ page 1234 and place HB 1148 on the Seventh order.

Engrossed HB 1148 was placed on the Seventh order of business on the calendar.



2005 TESTIMONY

HB 1148

,

1148

AGING SERVICES DIVISION DEPARTMENT OF HUMAN SERVICES HOME AND COMMUNITY BASED SERVICES

January 12, 2005

Qualified Service Provider (QSP) Rates

The average individual QSP rates for care is \$9.64 per hour (\$2.41 per15 minute unit) for Chore Service, Respite Care Service, Personal Care Service, and Homemaker Service. For Personal Care Service, the rate is \$9.60 per hour (or \$2.40 per15 minute unit).

For the agency average rate for care, the rate per hour is \$14.52 (\$3.63 per15 minute unit) for Chore Service, Respite Care Service, Personal Care Service, and Homemaker Service. For Personal Care Service, the rate is \$14.68 per hour (\$3.67 per15 minute unit).

The information above does not include provider rates for those QSP's providing 24 hour daily care. These rates are calculated based on client care needs.

This information is based on rates during October 2004.

(Note: Individual Qualified Service Providers are self-employed, independent contractors and would be responsible for financing their own fringe benefits.)

TESTIMONY BEFORE THE HOUSE HUMAN SERVICES COMMITTEE

REGARDING HB 1148

JANUARY 10, 2005

Chairman Price, members of the committee, I am David Zentner, Director of Medical Services for the Department of Human Services. I appear to provide information, and support this proposed Legislation.

This bill will make the personal care option a permanent service available through the North Dakota Medicaid program, and includes an emergency clause so the law can become effective as of July 1, 2005.

During the previous session, the Legislature authorized the Department to implement the Workers with Disability Program, and provide a personal care option for individuals residing in their own homes. The bill contained a sunset clause. Previous to this legislation, the personal care option in the Medicaid program was limited to personal care provided in Basic Care Facilities through a federally approved state plan amendment. Personal care was also available through the home and community based waivers approved by the federal government.

Personal care services consist of hands on care and/or cueing for individuals who need assistance with activities of daily living, or instrumental activities of daily living.

A State Plan Amendment was submitted in August 2003 that requested approval to provide personal care services in a home setting and in a basic care facility. Staff from the Centers for Medicare and Medicaid Services (CMS) were initially going to deny the plan because we wished to continue to pay for personal care services in Basic Care. After many months of discussion they finally agreed that

indeed services provided in a Basic Care Facility constituted personal care services. We then had a great deal of discussion over what costs could be included in calculating a personal care rate in each facility. After more months of discussions we are finally close to resolving the issues, and believe an approved plan should be forthcoming in the next month.

As a result, we have been unable to claim any federal funds for providing personal care services in the home setting. At the time the plan is approved we will be able to claim funds back to September 2003 for those instances that we can identify as qualifying for personal care services.

The budget to maintain the personal care option for the 2005-2007 biennium is \$14.7 million of which \$5.2 million is general funds as noted in the attached fiscal note. Medicaid recipients who would have otherwise received these services through Service Payments for the Elderly and Disabled (SPED), Expanded SPED, and the three home and community based Medicaid waivers will receive the services through the Medicaid personal care option. In addition other Medicaid recipients who meet established criteria are eligible to receive personal care services.

In order to continue to claim federal funds for Basic Care Facilities, CMS has indicated that it is necessary to also have a personal care option for individuals in their own homes. The budget for the 2005-2007 biennium for Basic Care is \$12.8 million of which \$5.3 million is federal funds. If we don't make the law permanent we will lose these funds and will need to replace them with general funds.

For the above reason, we support making the personal care option a permanent service available to Medicaid recipients and we recommend a do pass on this proposed Legislation.

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

A Hachment /

TESTIMONY BEFORE THE SENATE HUMAN SERVICES COMMITTEE REGARDING HB 1148

FEBRUARY 28, 2005

Chairman Lee, members of the committee, I am David Zentner, Director of Medical Services for the Department of Human Services. I appear to provide information, and support this proposed legislation.

This bill will make the personal care option a permanent service available through the North Dakota Medicaid program, and includes an emergency clause so the law can become effective as of July 1, 2005.

During the previous session, the Legislature authorized the Department to implement the Workers with Disability Program, and provide a personal care option for individuals residing in their own homes. The bill contained a sunset clause. Previous to this legislation, the personal care option in the Medicaid program was limited to personal care provided in Basic Care Facilities through a federally approved state plan amendment. Personal care was also available through the home and community based waivers approved by the federal government.

Personal care services consist of hands-on care and/or cueing for individuals who need assistance with activities of daily living, or instrumental activities of daily living.

A State Plan Amendment was submitted in August 2003 that requested approval to provide personal care services in a home setting and in a basic care facility. Staff from the Centers for Medicare and Medicaid Services (CMS) were initially going to deny the plan because we wished to continue to pay for personal care services in Basic Care. After many months of discussion they finally agreed that

indeed services provided in a Basic Care Facility constituted personal care services. We then had a great deal of discussion over what costs could be included in calculating a personal care rate in each facility. After more months of discussions we have finally received word that the plan has been approved. We still have not received the official written notification of the approval.

As a result, we have been unable to claim any federal funds for providing personal care services in the home setting. The Department will now be able to claim funds back to September 2003 for those instances that we can identify as qualifying for personal care services.

The bill was amended to require the Department to seek a waiver to permit nonlicensed providers to provide personal care services if requested by the recipient and authorized by the Department. Currently non-licensed providers can deliver personal care services relating to activities of daily living. The complicating factor is the delivery of services that require some medical intervention such as suctioning.

The Department is sensitive to the desire of disabled and elderly persons to live in their own homes and also be able to direct their own care if they are able. For that reason, we suggest a wording change to the amended section starting on line 10 of page 1. The proposed amendment language is attached.

The Executive Budget to maintain the personal care option for the 2005-2007 biennium is \$14.7 million of which \$5.2 million is general funds as noted in the attached fiscal note. Medicaid recipients who would have otherwise received these services through Service Payments for the Elderly and Disabled (SPED), Expanded SPED, and the three home and community based Medicaid waivers will receive the services through the Medicaid personal care option. In addition other Medicaid recipients who meet established criteria are eligible to receive personal care services.

In order to continue to claim federal funds for Basic Care Facilities, CMS has indicated that it is necessary to also have a personal care option for individuals in their own homes. The budget for the 2005-2007 biennium for Basic Care is \$13 million of which \$5.4 million is federal funds. If we don't make the law permanent we will lose these funds and will need to replace them with general funds.

For the above reason, we support making the personal care option a permanent service available to Medicaid recipients and we recommend a do pass on this proposed legislation.

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

HB 1148 Testimony Senate appropriations Committee 2/28/2005

Mr. Chairman and members of the committee. For the record my name is Chuck Stebbins, I am with the Freedom Resource Center for Independent Living in Fargo.

I would like my testimony entered into the record as supporting HB 1148 as amended. I have worked closely with the individual who has successfully managed his own life for the last 16 years through private insurance by hiring and firing his own attendants without any interference from anyone. He is the reason this amendment is in HB 1148. Both Gyle and myself, hope to address you in person when public testimony is scheduled for HB 1012.

Although I understand the differences between private insurance and the, most times too many regulations Medicaid, I continue to struggle with the restrictions that Medicaid puts on people with disabilities who want to run their own lives, but do not have the resources to do so. The amendment is fair, and it is reasonable; it

is all about choice, please allow those who can, to hire unlicensed individuals if they wish. You have heard countless reasons over the years on how and why we need to improve the Home and Community Based Service system in this state, this is just another, small as it is, step toward that. Recommend a do pass on HB 1148 as amended. Thank you.

Chuck Stebbins 2701 9th Ave S Fargo, ND 58103 701 478 0459

TESTIMONY -- PROTECTION AND ADVOCACY PROJECT HOUSE BILL 1148 -- SENATE HUMAN SERVICES COMMITTEE HONORABLE JUDY LEE, CHAIRMAN February 28, 2004, 11:15 a.m.

Good morning Chairman Lee and members of the Senate Human Services Committee. I am Jim Jacobson, Director of Protective Services for the North Dakota Protection and Advocacy Project (P&A).

P&A urges your support of Senate Bill 1148. It appears this bill would move to fill a gap in existing services for those who can direct their own care. As you can imagine, the recipient of services is often the person best able to provide feedback about how those services should be delivered.

Currently, persons who need intense services in a home setting have difficulty securing the services within their available budget. This is true for both private insurance and Medicaid.

The department would have the authority to approve an individual to receive services under this model. P&A urges the department to promulgate rules to screen for participants who can manage and direct their own care. P&A believes this will minimize the chances of abuse, neglect, or exploitation.

Thank you for your consideration.

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TESTIMONY -- PROTECTION AND ADVOCACY PROJECT SENATE BILL 1148 -- SENATE APPROPRIATIONS COMMITTEE HONORABLE RAY HOLMBERG, CHAIRMAN

March 21, 2005

Good morning Chairman Holmberg and members of the Senate Appropriations

Committee. I am Bruce Murry, a staff attorney for the North Dakota Protection and

Advocacy Project (P&A).

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