

2017 SENATE HUMAN SERVICES

SB 2168

2019 SENATE STANDING COMMITTEE MINUTES

Human Services Committee Red River Room, State Capitol

SB2168
1/16/2019
30900

- ☐ Subcommittee
☐ Conference Committee

Committee Clerk: Justin Velez / Pam Dever

Explanation or reason for introduction of bill/resolution:

To provide for adjustments to qualified service provider rates; provide an appropriation.

Minutes:

Attachments #1-4

Madam Chair Lee: Open the hearing on SB 2168. Title was read.

Senator O. Larsen, Dist 3: Introduces SB 2168 and gives a brief description. This has to do with basic care facilities. If you have a shortfall in funds, you can go to the Department of Health and ask for funding to help offset. There is this process, but it seems like that a letter always comes back and says-we can't help you out. This road block is a problem. We are trying to fix this. (3.17)

(3:32) Senator Hogan: I appreciate this bill. I think our QSP rate providers are in a crisis. When you looked at this did you just look at the basic care rate or did you consider all of the QSP rates and long term care rates? The reimbursement system needs to really address.

Senator O Larsen: There was that discussion when I was sitting down with them. We did narrow it down onto this particular item. This is the one that generated the letter we are talking about. That issue is there and I'm sure the experts behind me can answer that. (4.21)

(5:00-15.30) Shelly Peterson, President of the North Dakota Long Term Care Association.:

I am here in support this bill. **(see Attachment #1-3)** This bill wants an appropriation for qualified service providers, licensed and adult basic care residential providers to rebase their rates. Today there are 15 adult residential care providers. Any questions?

Senator Hogan: This level of care is kind of unique in the nation. Are there other states that have similar level care, and the whole structure of funding for this hasn't changed, is that true?

Shelly: This was a pilot project from DHS that they tried in 1997 by legislative authority. There were three pilot projects: Kenmare, who closed, Rosedell, who is still in business. We now have 15 facilities. So yes, it's unique and different and it's under the waiver, so we now can get federal funding. We are the only state that's licensed for basic care. I would assume they

would have waiver services, too, and maybe they are delivering it through their assisted living model in other states. (17.16)

Senator Hogan: This demonstrates how complex this structure and system is. We haven't done an in-depth study of the system of care funding strategies in a long time. We may want to look at how we are funding these. Need to find most effective on the full continuum. (17.47)

Shelly: Right. When we look at the 1% for all providers, that is not enough for the HCVS providers, either. In the governor's budget, it's great that he is expanding criteria so more people can be eligible for HCVS, but the rates to those providers are a 1% increase, too. So that whole infrastructure is struggling. We are hoping that the 3% can help all providers. (18.23)

Senator Lee: we have had at least two studies on the basic care/assisted living/dementia and we always seem to come back to the same place. Yes, basic care ought to be there. I have never felt strongly one way or the other. Sometimes it isn't the best thing to be the only one.

Shelly: The thing that is neat about basic care over the years is that it used to be county funded and was not available state wide. The state took it over which was great. Now we are able to access federal funds for basic care under the personal care option and the Medicaid waiver in the dementia head injury facilities. ND has done a good job to get any federal funds that could help with this model. They have done well in looking at that. (20.05)

Senator Larsen: What is the youngest and oldest person in basic care?

Shelly: On page 10, we have 64 licensed basic care facility. Youngest being 35 and oldest being 105 and average is 83.

Senator Hogan: Has there been growth in basic care? Has our capacity increased?

Shelly: I need to check on that. It has grown over the years.

Senator Hogan: 10 years ago there was basic care in Cass and now we have 200-300 beds. There has been capacity growth. (21.29)

Senator Lee: Cass county was paying for services that Grand Forks weren't paying for because there was no federal money and it was 100% county funded at the time.

Shelly: I can go back and look over time where it has been. In nursing home, our highest bed count was 7,124, and we are down to 5900 beds now. (22.08) I will get some data back to the committee. Thank you for your consideration. I want to introduce Lana.

(23:00-28:08) Lana Charvat, Director of Maple View Memory Care, Bismarck: (see Attachment #4) I am here to testify in favor of SB2168. We have a 36 bed facility. We have four in North Dakota. We serve Alzheimer's, dementia and memory loss, and we all accept Medicaid. Thank you for your consideration. Any questions?

(28:20-29:05) Bruce Murray, Executive Director, North Dakota Assoc. of Community Providers: We are lucky to have two providers in common with the North Dakota Long Term Care Assoc. Dakota Point, a branch of HIT, in Mandan, and the High Soaring Eagle Ranch, a branch of the Open Door Center in Valley City. I support SB2168. Thank you.

Madam Chair Lee: Any more testimony in favor? Any opposed? Any neutral testimony?

Bruce: Can you receive a written testimony from someone who is in House Human Service hearing right now?

Madam Chair Lee: We will be here this afternoon meeting informally. We close this hearing.

adjourned

2019 SENATE STANDING COMMITTEE MINUTES

Human Services Committee Red River Room, State Capitol

SB 2168
1/23/2019
Job # 31341

- ☐ Subcommittee
☐ Conference Committee

Committee Clerk: Justin Velez

Explanation or reason for introduction of bill/resolution:

To provide for adjustments to qualified service provider rates; and to provide an appropriation

Minutes:

No Attachment

Madam Chair Lee opens the discussion on SB 2168.

Senator O. Larsen: For clarification on this one, this is the one that had the group from Minot that came in and it's just the basic care groups, there are some other groups involved as well. When they come online or open house, they come forward and say this is what it costs to operate and one entity is 86 dollars and the next entity is 148 dollars and then one group said they did a total re-model and they put in their amount and was denied. There is no rhyme or reason to it. They have the ability to say to the human services, this is how much money we need and they send back a letter and say sorry we are not going to do that, so that is where the funding in appropriations comes to this to kind of level that playing field.

Madam Chair Lee: It is kind of similar to the intent of the change and reimbursement formula for facilities providing services to folks with developmental disabilities, where whatever the costs were that was what they got. Somebody might be frugal and provide the services and somebody might be not so frugal and provide services and get a significantly different reimbursement, now they will be paid based on the service they are providing.

Senator Hogan: I appreciate this bill and will support it. However, this QSP reimbursement issue also provides the QSP's who provide in-home care services, rate differentials are a problem in the whole continuum of care not simply basic care. I think this is a crisis for some of these but I want this committee to know it is across the entire HCBS system.

Senator Anderson: Maybe we can correct the rate setting system or I don't even know how the rate setting system is done. We have a pretty clear message on how this is done from the providers that came in and testified but the other QSP systems I have no idea.

Madam Chair Lee: Shelly Peterson also said that in 2012 this year includes 100,000 dollars for rebasing which will assist with that but it's been a part of the budget all along. That doesn't mean that it is done equitably. My optimism is that with the programs that we are looking with

the re-write of social services, state and county, and all the things going on that kind of ties in. I would like to get some concept of where we are heading with that and hope that some of those things might be easier to figure out when the organization of those zones might be in place.

Senator Hogan: The HCBS system is totally separate from the county system. I think it needs a comprehensive re-write like we did with developmental disabilities and it hasn't really been done in decades, maybe we should have a separate study on that based on this too. We can still introduce that as a free standing bill.

Senator K. Roers: Senator O. Larsen, do you know what the 150,000 dollars actually pays for?

Senator O. Larsen: I am not aware of what it does pay for. The thing that comes to my mind is the operational costs and I'm sure that would probably be salaries wrapped up in that. It's not for re-modeling. I know that when someone comes to stay there and they say its \$86.29 a day, that is what it is supposed to be offsetting.

Senator K. Roers: I wasn't sure if it was actually going to the QSP's or if was going to the department to administer this change.

Senator O. Larsen: I don't believe so.

Madam Chair Lee: If you look at line 7 "to provide rate increases to adult residential QSP's" that would suggest to me that they are going to be paying a little more.

Senator Hogan: On the end of line 11 and line 12 "or so much as the sum as maybe necessary" that is pretty broad.

Senator K. Roers: All of them say that, I think that is actually saying up to and including. I wonder if that money is going to DHS to pay for people who are on whether it be Medicaid or Medicare or something for that increased rate.

Senator Hogan: Yes, that what I think it is.

Madam Chair Lee: It talks about providing rate increases, so it isn't bonuses or one-time shots. It's that the rate would be increased, that suggest to me that they are going to have a raise in their salary. Those QSP's that do the work at the lowest level of the ladder is hard to get along on what they make. If any of them are doing any traveling at all, they don't get paid for travel. In a rural area that could be a big deal.

Senator Anderson: If you read the letter from Gaylin Schmidt (Owner of Maple View Memory Care) it kind of clears up how the rate is set originally and the department says; the rate is set based on information provided at the time of enrollment. It also says; any rate adjustment after that are based on legislative action. So I think the bill is appropriately worded to say that they can take a look at it again and rebase the rate. Otherwise, it looks like the rate only goes up a certain percentage and maybe they made a mistake when they enrolled originally and provided insufficient information, I don't know. It sounds like its set at the time and after that

you get your small percentages so, maybe this will solve it if we give them some money to rebase it.

Senator O. Larsen: Part of my understanding is that when they were building these facilities 20 years ago and the place was full that's what the cost was. Now, when they wanted to expand and built the facility, it cost more to build the facility and then it didn't get full so they had to offset that when you didn't have as many people in the facility. When they first started in the 80's it was set at that rate then if they come back to this facility today, that's still the rate.

Madam Chair Lee: Any further discussion on SB 2168?

Senator O. Larsen: I move a **DO PASS** on SB 2168 and **REREFER TO APPROPRIATIONS**
Seconded by Senator Anderson

ROLL CALL VOTE TAKEN

6 YEA, 0 NAY, 0 ABSENT

MOTION CARRIES DO PASS, REREFER TO APPROPRIATIONS

Senator O. Larsen will carry SB 2168 to the floor.

Madam Chair Lee and the committee move on to discuss SB 2263.

2019 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 5B 2168

Senate Human Services Committee

☐ Subcommittee

Amendment LC# or Description: _____

Recommendation: ☐ Adopt Amendment
☒ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☒ Refer to Appropriations
☐ Place on Consent Calendar
Other Actions: ☐ Reconsider ☐ _____

Motion Made By Sen. O. Larsen Seconded By Sen. Anderson

Senators	Yes	No	Senators	Yes	No
Chair Lee	X		Senator Hogan	X	
Vice Chair Larsen	X				
Senator Anderson	X				
Senator Clemens	X				
Senator Roers	X				

Total (Yes) 6 No 0

Absent 0

Floor Assignment Sen. O. Larsen

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

REPORT OF STANDING COMMITTEE

SB 2168: Human Services Committee (Sen. J. Lee, Chairman) recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2168 was rereferred to the **Appropriations Committee**.

2019 SENATE APPROPRIATIONS

SB 2168

2019 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Harvest Room, State Capitol

SB 2168
2/1/2019
JOB # 31980

- ☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature Alice Delzer / Pam Dever

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide for adjustments to qualified service provider rates; and to provide an appropriation.

Minutes:

- | |
|---|
| 1. Testimony of Shelly Peterson
2. Testimony of Lana Charvat |
|---|

Chairman Holmberg: called the Committee to order on SB 2168 at 9:00 am in the Harvest Room. Roll call was taken. All committee members were present except Senator Robinson. Stephanie Gullickson, OMB and Brady Larson, Legislative Council were also present. We've been asked and next week either Wed or Tues, IDT is going to give us a briefing.

V. Chairman Krebsbach: (2.27) I am here as one of the sponsors on this bill. This comes from us from the long term people. It involves the adult care the situation, that on this one level of care, you reenroll, and you set your rate; and what you set your rate at is what you live with through eternity. The care has gotten more expensive. They are looking for a resolution to solve the problem. Other entries to a program for the elderly who are in this program. We are looking for equality. I will turn the podium over to Shelly Peterson.

Senator Dever: It seems awkward to me that they shall provide guidelines to provide rate increases to QSP's that submit a written request to the department for a rate increase. Is the intended to be written like that?

V. Chairman Krebsbach: I will refer that question to Shelly Peterson. (5.19)

Shelly Peterson, President of ND Long Term Care Association testified in favor of SB2168 and provided Attachment # 1. We represent 214 long term care providers in N.D. This is a written request for an appropriation for qualified service providers licensed as basic care adult residential service providers to "rebase" their rates. SB 2168 would give DHS the authority and money to adjust rates top QSP- Adult Residential Care Providers. The provider would still need to submit evidence showing the actual cost of delivering care. Your support of this legislation is requested. I looked at administrative code. You can ask for a rate adjustment. The one from Maple View was denied. They are far below the regular long term facilities. They are at \$86.29 per day so this is \$710 per month. His is much below the agency

QSP rate. SB2168 would give DHS the authority and money to grant rate changes. (12.40)
It is cheaper to be in dementia facilities than nursing homes.

Senator Sorvaag: On the second page, is the daily rate, is that based solely on the date you come in?

Shelly Peterson: Yes. If you look at Maple View in Bismarck. Then look at Lakewood Landing, Mandan, and their rate is \$148/day. Lakewood Landing is a recent one that signed the Medicaid agreement. (15.30)

Senator Sorvaag: Usually if you came in early, you are behind? If we raise it, then all will get that opportunity?

Shelly Peterson: Yes, it's the opportunity. You still have to submit information to your cost is actually that. It is not automatic. With \$150,000, that will not give much to very many. We wanted a few to get the rate increase.

Senator Mathern: Why you wouldn't you ask for a rebasing instead?

Shelly Peterson: In essence we are calling it rebasing. The payment system for this type of provider is negotiated individually. You have to submit information. They are not related to each other. By putting a pot of money out there it will be each individual provider that requests to the department. Kind of first come, first served. When the money runs out, it is gone. (17.36)

Senator Mathern: Why not have a bill to rebase?

Shelly Peterson: We would love that. We looked at what was what was economically acceptable as well as be successful. We wanted some on the bottom to get money.

Senator Bekkedahl: Why are these facilities are a lower cost than nursing home facilities? What do they do different? Is it better for a community to have a QSV facility?

Shelly Peterson: In Williston, that is a dementia unit within a nursing facility. They fall under the nursing home system. Why cheaper than nursing homes? We don't have the nursing home regulations. Right now we are in a three-year period of implementing new federal regulations. It cost \$22.9 million more in costs. You have to have 24 hour nursing staff. Dementia facilities don't need as much RN care. Our greatest demand in N.D are dementia facilities.

Senator Dever: I imagine one of those regulations is equalization of rates. They apparently don't apply for this. On the lower end, they must make up the difference on private pay. Which is cheaper – Lakewood or Maple View?

Shelly Peterson: My mother is at Maple View at \$180.00 a day. Medicaid is \$86 per day plus room and board. The money Maple View gets is \$115.00 vs private pay at \$180 per day. When I look at that, they are able to charge private pay more. They have a growing number of Medicaid residence at Maple View. They are functioning at a deficit. We looked at

Lakewood Landing for mom and the private pay was higher than that. The problem is that the facilities will stop taking the Medicaid people. When a person's money runs out, they should still have access to this level of care. Right now we do have some private pay facilities that do not participate in this program. (22.25)

V. Chairman Krebsbach: As you notice the licensed bed are for so many, and the residence are all filled. Is there a waiting list at most of these places?

Shelly Peterson: Generally, yes. We just had Jamestown open up at the end of November. They just got their Medicaid approval. They are filling up quickly. when we were looking for my mom last Saturday, we were excited that Maple View had 2 openings that day.

(24.35) Lana Charvat, Director of Maple View Memory Care Community: testified in favor of SB 2168 and provided Attachment # 2, explaining the history of her facility and stating as a provider we are more than willing to offer our service and care for individuals in need of Medicaid if we are able to feasible do so. We want to continue to serve anyone in need of our services regardless of them needing Medicaid assistance or being private pay. This bill would allow us to do so. We are requesting your consideration and please DO PASS. Any questions? **(30.15)**

V. Chairman Krebsbach: Any questions for Lana. Is there any further testimony for 2168? Our chairman is planning to put this bill into the DHS Budget SB 2012. Senator Dever, Chair, Senator Erbele, and Senator Mathern are the subcommittee members.

Adjourned (31.19)

2019 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Harvest Room, State Capitol

SB 2168
2/15/2019
JOB # 32827

☐ Subcommittee
☐ Conference Committee

Committee Clerk: Alice Delzer

Explanation or reason for introduction of bill/resolution:

A BILL for DHS re; Adjustments to QSP rates (Do Not Pass.)

Minutes:

No testimony submitted

Chairman Holmberg: Called the Committee to order on SB 2026. All committee members were present. Adam Mathiak, Legislative Council and Becky Deichert, OMB were also present.

Chairman Holmberg: We're following the model we did two years ago, when we had that duplicative series of bills, they were all Appropriation bills and the rules do not allow for that, but the rules are suspendable. So last time, what happened is we brought 25 bills up to the floor, the motion was Senator Klein moved to suspend Joint Rule 206 through the 17th legislative day, which motion prevailed, and then the second reading of Senate bills on the consent calendar for all 24 votes went as one vote and we were done. My understanding according to talking to John Bjornson this morning is we can in committee have a motion that we would list the bills that we are putting on the consent calendar for a Do Not Pass and then we would vote on that, one vote, and then they would go up on the consent calendar. If you recall, we also have two bills in there that had been signed and they had to do with the Attorney General's budget that the items were folded into the budget. So, before we do it we need to have someone from the committee move that we do a Do Not Pass and place these bills on the consent calendar, as these bills are now duplicative to SB 2012.

The list is as follows:

SB 2026 - Do Not Pass – Improving Mental Health Services
SB 2028 - Do Not Pass - Behavioral Health Prevention & Early Intervention Services
SB 2029 - Do Not Pass – Implementation of Community Behavioral Health Program
SB 2030 - Do Not Pass - Relating to State's Behavioral Health System
SB 2031 - Do Not Pass - Targeted Case Management Services
SB 2032 - Do Not Pass - Peer Support Specialist Certification
SB 2168 - Do Not Pass - Adjustments to QSP Rates
SB 2175 - Do Not Pass - Substance Use Disorder Treatment Voucher System
SB 2298 - Do Not Pass - 1915(i) Medicaid State Plan Amendment for Children
SB 2242 - Do Not Pass – Grants to children's advocacy centers.

Chairman Holmberg: Committee members you may think when the budget comes it is rich, but the bottom line is they are putting the entire issues regarding these bills on the same table. If someone would make the following motion that the Appropriations Committee put a Do Not Pass and place on the consent calendar.

V. Chairman Wanzek: Moved a Do Not Pass and place on the consent calendar on the afore-mentioned bills. 2nd by V. Chairman Krebsbach.

Chairman Holmberg: Call the roll on a Do Not Pass and place them on the consent calendar on the afore-mentioned bills.

A Roll Call vote was taken. Yea: 14: Nay: 0; Absent: 0.

Chairman Holmberg: I did talk to John in Legislative Council and if the front desk has a problem have them call up to Legislative Council and they will say it is fine. **I Will carry the consent calendar.**

Senator Dever: This will be on Monday but SB 2012 will be on Tuesday.

Chairman Holmberg: The only other thing with this is, keep in mind that any senator has the right to pull a bill off the consent calendar and have a debate on this. the two from the Attorney General are already on the consent calendar. This will just join them. I believe there are two more bills that you passed, SB 2106 and SB 2191, Let's hear about them. (These bills were assigned to new jobs.)

The hearing was closed.

Date: 2-15-2019Roll Call Vote #: 1

**2019 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2168**

Senate Appropriations Committee☐ SubcommitteeAmendment LC# or Description: 2026, 2028, 2029, 2030, 2031, 2032
2168, 2175, 2298, 2242

Recommendation: ☐ Adopt Amendment
☐ Do Pass ☒ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☒ Place on Consent Calendar

Other Actions: ☐ Reconsider ☐ _____Motion Made By Wanzek Seconded By Krebsbach

Senators	Yes	No	Senators	Yes	No
Senator Holmberg	✓		Senator Mathern	✓	
Senator Krebsbach	✓		Senator Grabinger	✓	
Senator Wanzek	✓		Senator Robinson	✓	
Senator Erbele	✓				
Senator Poolman	✓				
Senator Bekkedahl	✓				
Senator G. Lee	✓				
Senator Dever	✓				
Senator Sorvaag	✓				
Senator Oehlke	✓				
Senator Hogue	✓				

Total (Yes) 14 No 0Absent 0Floor Assignment Holmberg

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

REPORT OF STANDING COMMITTEE

SB 2168: Appropriations Committee (Sen. Holmberg, Chairman) recommends **DO NOT PASS** and **BE PLACED ON THE CONSENT CALENDAR** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2168 was placed on the Tenth order on the calendar.

2017 TESTIMONY

SB 2168

Testimony on SB 2168
Senate Human Services Committee
January 16, 2019

Good morning Chairman Lee and members of the Senate Human Services Committee. My name is Shelly Peterson, President of the North Dakota Long Term Care Association. We represent 214 assisted living, basic care, and nursing facilities. I am here today to testify in support of SB 2168 and ask for your support.

SB 2168 requests an appropriation for qualified service providers licensed as basic care adult residential service providers to “rebase” their rates. Today, there are 15 adult residential care providers. Of those 15, two care for individuals with head injuries and the remaining thirteen care for those with Alzheimer’s or a related dementia.

Per NDAC 75-03-23-9(2) rates for this type of provider is established at the time of enrollment when the Medicaid provider agreement is signed. Adult residential rates are initially established using cost information provided by the facility. Over the years, facilities have received some inflationary adjustments, but those have been frozen since 2016. Adult residential facilities are considered agency QSP’s, by DHS. When QSP individuals and agency rates were adjusted or the rural differential added adult residential care facilities did not see that same adjustment. When the developmentally disabled, nursing facility and basic care staff received wage pass-through adjustments, adult residential care providers did not receive that adjustment.

One of the very first providers to enroll in the program was Roseadele in Jamestown. They have been providing 24 hour care to individuals with

Alzheimer's since 1999. Can you imagine signing a provider agreement years ago and being locked into that rate? These facilities specialize in the care to those with Alzheimer's and related dementia or those with a traumatic brain injury. All residents who are admitted screen in need of skilled nursing care, but they are cared for in this more independent setting, licensed as basic care. This approach is more cost effective than 24 hour skilled care, where each of these individuals would reside if these facilities did not exist. These facilities are highly regarded by family and residents, the units are smaller, thus the environment is not as overwhelming. As you will note, these dementia facilities only reside in Bismarck/Mandan, Minot, Fargo, Grand Forks and Jamestown. We do have additional basic care dementia facilities, but they are private pay only and thus don't care for the Medicaid population.

Below is a list of the 15 adult residential care facilities, their daily Medicaid rate, their licensed bed capacity and their occupancy recently reported in the ND Revised Statewide Transition Plan for HCBS Settings.

Adult Residential Facilities	Daily Rate	City	Licensed Beds	Residents in 2018
Maple View Bismarck	\$ 86.29	Bismarck	36	36
Edgewood Fargo Senior Living	\$ 92.44	Fargo	23	23
Maple View Memory Care of Minot	\$ 98.73	Minot	37	35
Edgewood Mandan Senior Living	\$102.42	Mandan	22	22
Maple View Fargo	\$103.55	Fargo	36	33
Ecumen – Evergreens of Fargo	\$109.73	Fargo	15	15
Edgewood Minot Senior Living	\$110.46	Minot	22	22
Emerald Court II, INC	\$114.52	Minot	28	24
Roseadele	\$115.72	Jamestown	20	20
Edgewood Bismarck Senior Living	\$117.51	Bismarck	20	20
Maple View Grand Forks	\$120.16	Grand Forks	36	35
Edgewood Senior Living	\$121.80	Jamestown	43	
Lakewood Landing INC	\$148.20	Mandan	17	17
Open Door Center	\$165.47	Valley City	10	9
Dakota Pointe – HIT INC	\$189.61	Mandan	10	10

*DHS enrolled Edgewood Senior Living on 11-30-18, thus DHS occupancy data was not available last fall. Edgewood Senior Living reports their occupancy at 21 on January 14, 2019.

Besides the daily rates above, a room and board rate is charged. Effective 5-1-18 that rate is \$715.00.

We are deeply appreciative of these providers caring for individuals of all income levels. The reason others do not is because the payment is considered insufficient to care for this population. As it is right now, some providers above do charge the private pay more and some limit their Medicaid admissions. I mentioned to you before, Roseadele has been enrolled in the program for almost 20 years. During this time they have been able to request and receive a rate adjustment, but today DHS indicates they do not have the authority or appropriations to grant rate adjustments, that is why SB 2168 is here today. Two years ago we did request \$100,000 in the DHS budget, HB 1012, for this purpose, but it was not funded.

Based on the ND Administrative Code 75-03-23-09, Maple View – Bismarck requested a rate adjustment last summer. The rules state:

75-03-23-09. Payment under the SPED program and the Medicaid waiver program.

1. The department shall establish provider rates for home and community-based service in accordance with a procedure that factors in:
 - a. Whether a provider is an individual or an agency; and
 - b. The range of rates submitted by various providers.
2. The rate for a specific qualified service provider is established at the time the provider agreement is signed.
3. The department shall grant a request for a rate decrease when the department receives a written request for the decrease from the qualified service provider.

4. The department shall grant in full or in part, or shall deny, a request for a rate increase when the department receives a written request for the rate increase from the qualified service provider.

The rate request from Maple View – Bismarck was denied. Attached is a copy of the denied request. The 1915(c) waiver agreement submitted by North Dakota states, “after an initial rate is set, rate increases are based on legislative action”. Further the denial letter states:

“The 2017-2018 legislature did not grant rate increases for QSP’s. I also understand that the Long Term Care Association requested additional funds to increase the rates for basic care adult residential facilities but that request was not funded. Therefore, the department does not have an appropriation or the authority to grant a rate increase at this time.”

The DHS budget, SB 2012, has requested a 1% inflationary increase for all providers. If that is granted, Maple View’s daily rate of \$86.29, would increase by approximately .09 cents per day to \$86.38 per day. Maple View needs an opportunity for rebasing of their rate, a small inflationary adjustment won’t significantly make a differences.

DHS has two types of QSP’s, individuals and agencies. Adult residential dementia units are considered agency QSP’s by DHS. Although they are considered an agency QSP, their rate system is not the same and in Maple View’s case and others, it is far below the QSP agency rate.

The QSP rates for providers are:

- QSP agency standard rate of \$6.99 per 15 minutes/\$27.96 hourly
- QSP individual rate of \$5.09 per 15 minutes/\$20.36 hourly

The QSP rate for adult residential care providers ranges from \$86.29 to \$148.20 per day. Converting Maple View’s daily rate of \$86.29, including their room and board rate of \$23.50 (\$715 monthly), their hourly rate would be \$4.57, much below the agency QSP hourly rate of \$27.96.

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#1 B.5

We recognize it should be less expensive to care for individuals in a group setting. All waiver residents screen in need of 24 hour skilled nursing care, with staff 24/7 and nursing staff at least 8 hours per day, most averaging 14.4 hours of nurse onsite care per day. SB 2168 would give DHS the authority and money to adjust rates to QSP – Adult Residential Care Providers. The provider would still need to submit evidence showing the actual cost of delivering care.

The 2018 average nursing facility rate is \$271.71 per day. Thus everyone saves money by caring for these individuals in our adult residential care dementia units. They continue to be in demand and will for the foreseeable future. Alzheimer's is our third leading cause of death in North Dakota and North Dakota is number two in the nation for our proportion of individuals suffering with Alzheimer's. These facilities want to care for those with this condition, regardless of their payment source. But they won't be able to continue to care for the low income population without some rate adjustments.

Your support of this legislation is requested. I would be happy to answer any questions you may have.

Shelly Peterson, President
North Dakota Long Term Care Association
1900 North 11th Street
Bismarck, ND 58501
(701) 222-0660



north dakota
department of
human services

Doug Burgum, Governor
Christopher Jones, Executive Director

SB 2168
1/16/19
#2 pg. 1
Aging Services Division

1237 West Divide Avenue Ste 6, Bismarck, ND 58501

(701) 328-4601

Fax (701) 328-8744

ND Aging and Disability Resource-LINK Toll Free 1-855-462-5465

TTY (701) 328-8968

May 02, 2018

Gaylin Schmidt, Owner
Maple View Memory Care
4217 Montreal St
Bismarck, ND 58503

Dear Gaylin,

The Department received your request for an increase in the adult residential service rate for Maple View Memory Care, Bismarck. We reviewed your letter and appreciate the explanation you provided for making the request and your willingness to serve Medicaid waiver recipients.

Per NDAC 75-03-23-09 (2), the rates for Qualified Service Providers (QSP), including adult residential service providers, are established at the time of enrollment when the Medicaid provider agreement is signed. Adult residential rates are initially established using cost information provided by the facility. In addition, the federal 1915 (c) CMS waiver agreement states that after an initial rate is set, rate increases are based on Legislative action.

As you are aware, the 2017-2018 Legislature did not grant rate increases for QSPs. I also understand that the Long Term Care Association requested additional funds to increase the rates for basic care adult residential facilities but that request was not funded. Therefore, the Department does not have an appropriation or the authority to grant a rate increase at this time.

If you have additional questions please feel free to contact me via email nmaier@nd.gov or phone 701-328-4607.

Sincerely,

Nancy Nikola Maier
Director, ND DHS Aging Services

C: Lana Charvat, Maple View Bismarck Facility Director
Chris Jones, DHS Executive Director
Maggie Anderson, Director DHS Medical Services

2019

SB 2168
1/16/2019
#3 pg. 1



North Dakota Long Term Care **FACTS & FIGURES**



1900 North 11th Street, Bismarck, ND 58501
(701) 222-0660 • www.NDLTCA.org

About NDLTCA

About the North Dakota Long Term Care Association

The North Dakota Long Term Care Association (NDLTCA) is a non profit trade association representing long term care facilities in North Dakota. Membership includes nursing facilities, basic care facilities, and assisted living facilities. NDLTCA began operating in 1977 and currently represents 214 nursing, basic care, and assisted living facilities. NDLTCA works closely with State and Federal government agencies along with other professional associations in its efforts to advocate on behalf of long term care and promote sound legislative and regulatory policies. NDLTCA is an affiliate of the American Health Care Association (AHCA) and the National Centers for Assisted Living (NCAL). AHCA and NCAL, located in Washington, D.C., are the largest organizations of long term care facilities in the nation. NDLTCA is governed by a 14 member Board elected by the membership. Overall policy of the NDLTCA is the responsibility of the Board. NDLTCA is dedicated to serving our members who strive to maintain the highest quality of care for the elderly and disabled.

Mission Statement

The North Dakota long Term Care Association is a professional association of long term care and community service providers who enhance the lives of people we serve thorough collaboration, education and advocacy.

Vision Statement

The North Dakota Long Term Care Association is recognized as an innovative leader and pioneer in the continuum of care, which has a positive impact on the quality of life of those we serve.

Core Values

- Competence
- Honesty
- Integrity
- Responsiveness
- Trust

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Resources Most of the information provided in this publication was gathered from a comprehensive survey of assisted living, basic care and nursing facility members, completed in the Fall of 2018. Additional information was gathered from the US Census Bureau - July 2015, NDSU Extension Service, Spring 2017, ND State Department Business Data, Nursing Facility cost reports and Pinnacle Quality Insight.

Introduction



Greetings to All

The North Dakota Long Term Care Association (NDLTCA) is pleased to bring to you the 2019 Facts & Figures booklet. This publication provides information about the long term care profession, the challenge of caring for aging North Dakotans, and issues facing long term care. This publication is designed to give legislators, association members, and the public an overview of long term care in North Dakota. The biggest challenge continues to be staffing, with finances the second area of concern.

According to World Population Review, North Dakota is considered the most rural U.S. state. North Dakota today estimates 30,000 open positions, and recruiting to long term care continues to be a significant challenge. 81% of North Dakota's 53 counties are designated as health professional shortage areas. Over 80% of nursing facilities don't have sufficient staff and rely upon contract agency staff to help deliver daily residents care.

We hope you find the publication helpful. North Dakota is a great place to grow old. Over 16,000 individuals each year receive care in a basic care, assisted living or skilled nursing facility. We are proud of the outstanding care provided by long term care facilities in our state.

Sincerely yours,



*Shelly Peterson
President*



*Craig Christianson
Chair*

Long Term Care Facts

Aging In America

The aging of America, together with extended life expectancy, will result in unprecedented demand for long term care.

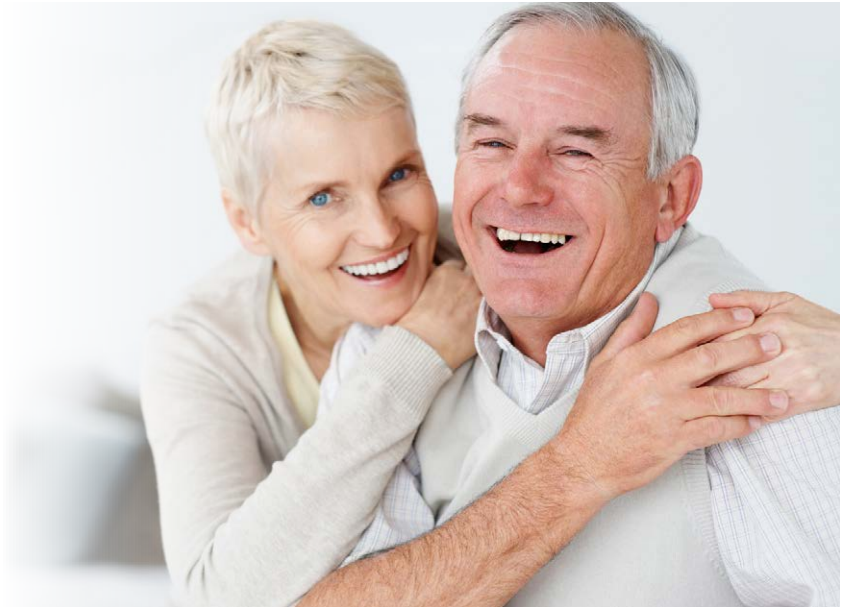
Long term care services are provided in a variety of settings, including nursing facilities, basic care, assisted living, swing beds, and home and community based settings.

The nation as a whole grew as the oldest Baby Boomers became seniors.

In 2015, the nation's 65+ populations surged to 47.8 million, up to 3.2%.

1 out of 2 North Dakotans

will need long term care sometime during their lives



49% projected growth
in North Dakota's
population of individuals
age 65+ by 2029

107,281
2015

159,969
2029

North Dakota ranks **7th**
in the nation in highest
proportion of individuals age 85+



Risk of requiring long term care at
sometime in life is 50%. If you have
a spouse, overall risk that one of you
would need long term care is 65%

14%
of North Dakota's
population is
made up of
individuals 65+



Long Term Care Facts

Caregivers of North Dakota

- Staffing is the number one concern facing long term care facilities.
- **CNA turnover** in nursing facilities is **60%**.
- The oldest employee in long term care is **92 years old**.
- Over **four out of five** nursing facilities (82%) rely upon contract nursing staff to provide daily resident care.
- \$18.9 million was spent on contract nursing in 2018, compared to \$4.7 million in 2010.
- One-third of caregivers in long term care are age 50 or older.
- 14% of the long term care workforce is at or over the age of 60.



Who Needs Care?

Long term care facilities provide care for over 16,000 North Dakotans annually.

The need for personal assistance with everyday activities increases with age.

The three top factors impacting the need for nursing home care are being a woman, being 80 or older, and living alone.

The most common reasons given for nursing home placement are the need for assistance with daily care, complex medical needs, complications due to dementia, falls and the need for constant supervision.

North Dakota has the oldest nursing home residents with 46% age 85-95 years (highest in the nation) and 8.7% over age 95 (second highest in nation).

Assisted Living Facts

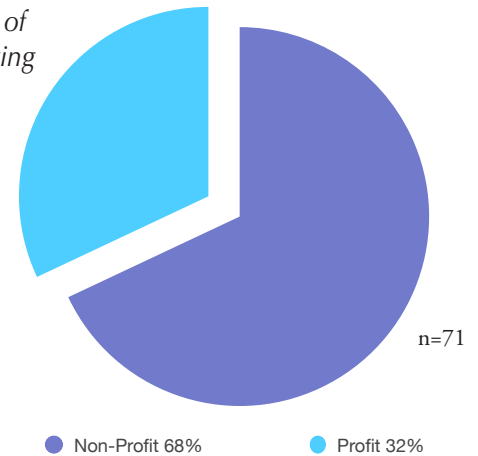
ASSISTED LIVING AT A GLANCE

78 licensed assisted living facilities

3,143 licensed units

2018 average occupancy was **89%**
n=33

Ownership of Assisted Living Facilities

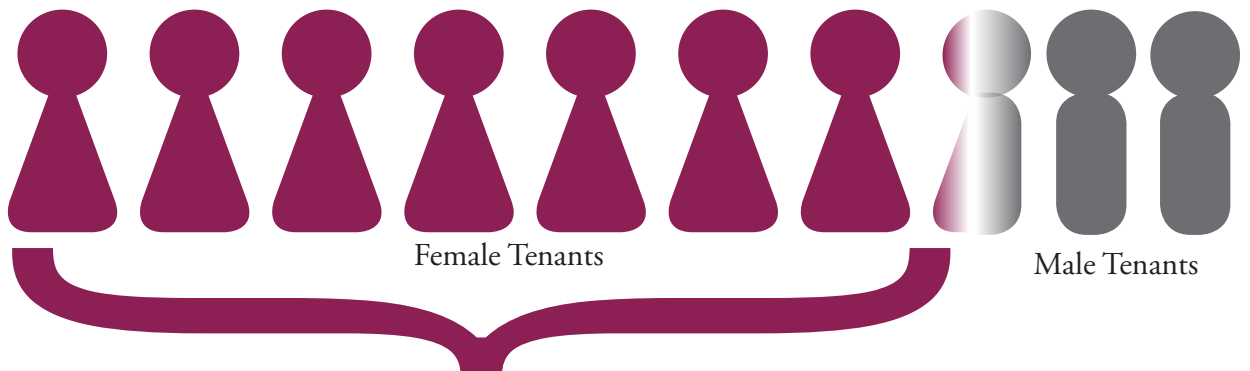


Assisted Living Facts

- An assisted living facility is a congregate residential setting with private apartments and contracted services.
- A la carte services are contracted based upon an agreed upon service plan.
- A typical rental package includes meals, housekeeping, activities, transportation, and laundry.
- Facilities provide a full range of services from bathing to medication management to hospice care.
- Assistance with daily care, isolation and falls are the top issues precipitating the desire to move into an assisted living facility.
- Current tenants range in age from 57 to 106 with the average age being 87.



Gender of Assisted Living Residents
n=981



72% of tenants in North Dakota ASSISTED LIVING are female

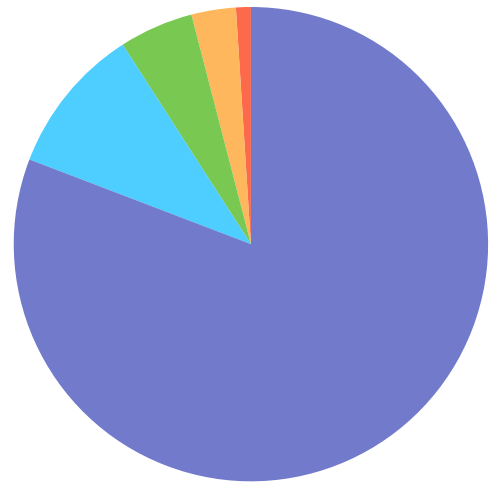
Tenants - Moving In and Out

When individuals move into an assisted living facility,
where do they come from?

Most individuals were living in their own home prior to moving into an assisted living facility. The top three reasons for assisted living move-in:

- 1) Assistance with daily care
- 2) Social Isolation/Depression
- 3) Falls

Moving In

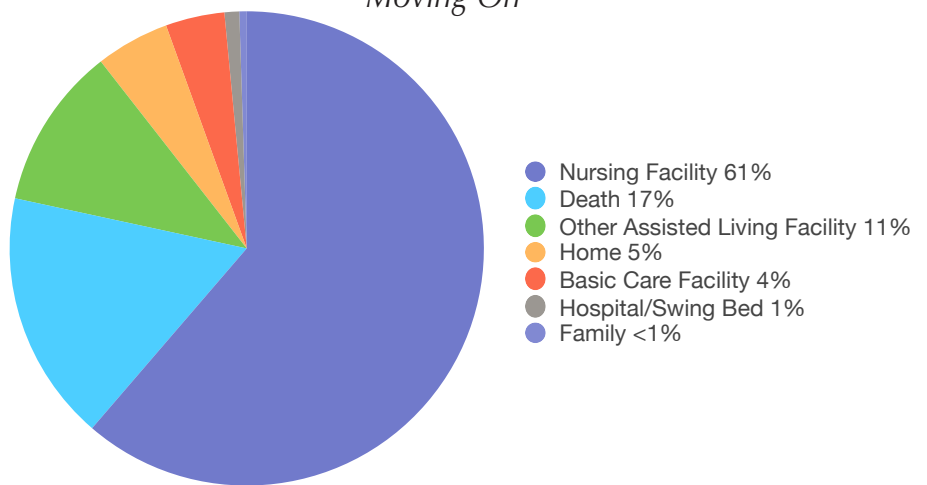


- Home 80%
- Nursing Facility 10%
- Other Assisted Living Facility 5%
- Hospital/Swing Bed 3%
- Basic Care Facility 1%

When individuals move out of an assisted living facility,
where do they go?

Over 60% of tenants moving out of assisted living facilities are admitted to a skilled nursing facility. Advancing medical needs and growing cognition issues necessitate the move to a higher level of care.

Moving On



- Nursing Facility 61%
- Death 17%
- Other Assisted Living Facility 11%
- Home 5%
- Basic Care Facility 4%
- Hospital/Swing Bed 1%
- Family <1%

Assisted Living Facts

Care needs of assisted living tenants

39% of tenants have impaired mental status ranging from mild confusing or forgetfulness to a mental health diagnosis.

41% of tenants need full assistance with medication administration. These tenants on average take 11.7 over-the-counter and prescription medications daily.

99% of tenants are fully independent in eating, 97% independent with transferring, 94% with toileting, and 76% with dressing.

66% of tenants periodically use the assistance of a walker or cane.

79% of tenants are ambulatory (may use aids but not human assistance).

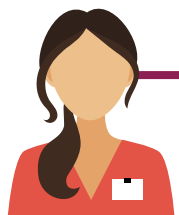
Assisted Living WORKFORCE



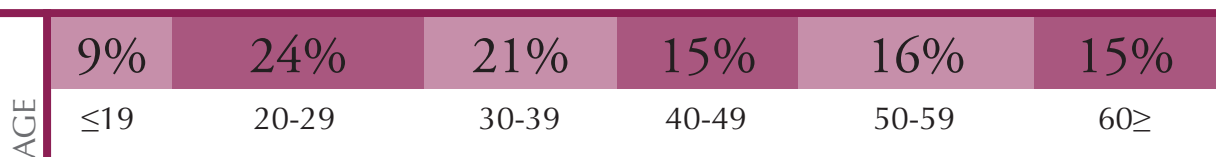
- Top issues impacting assisted living facilities are staffing and occupancy.
- 809 individuals are employed in 33 assisted living facilities.
- As of September 1, 2018, of the 33 assisted living facilities reporting nursing hours the average was 8.3 hours per day.



- Only three of 33 assisted living facilities used contract nursing staff in 2018.
- Approximately one-third (31%) of the workforce is age 50 and older, the oldest employee is 83, an dining aide.



Age of Assisted Living Workforce



n=1127

Assisted Living Facts

Assisted Living COST

In 2018 the average rent in an assisted living facility was \$2,534 per month, with a range of \$625 to \$5,370 per month.

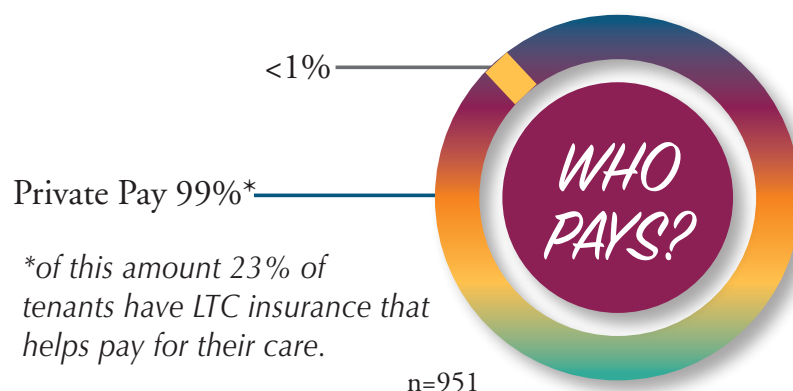
The cost for services in an assisted living facility varies dramatically, with a range of \$121 to \$4,800 per month.

The cost of assisted living is highly dependent on the size of the living space, the location in North Dakota, and the amenities in the rental package.

Most tenants pay for services from their own private funds, with long term care insurance assisting in 23% of the cases.



Who Pays the Bill in Assisted Living Facilities?



Assisted Living Satisfaction Survey Results

Satisfaction	No Experience	1-Poor	2-Average	3-Good	4-Very Good	5-Excellent
Overall Satisfaction (n=1051)	<1%	<1%	5%	14%	37%	41%
Quality of Staff (n=1051)	<1%	<1%	3%	11%	34%	51%
Quality of Care (n=1051)	5%	<1%	4%	10%	36%	45%
Quality of Food (n=1051)	5%	6%	18%	26%	30%	15%

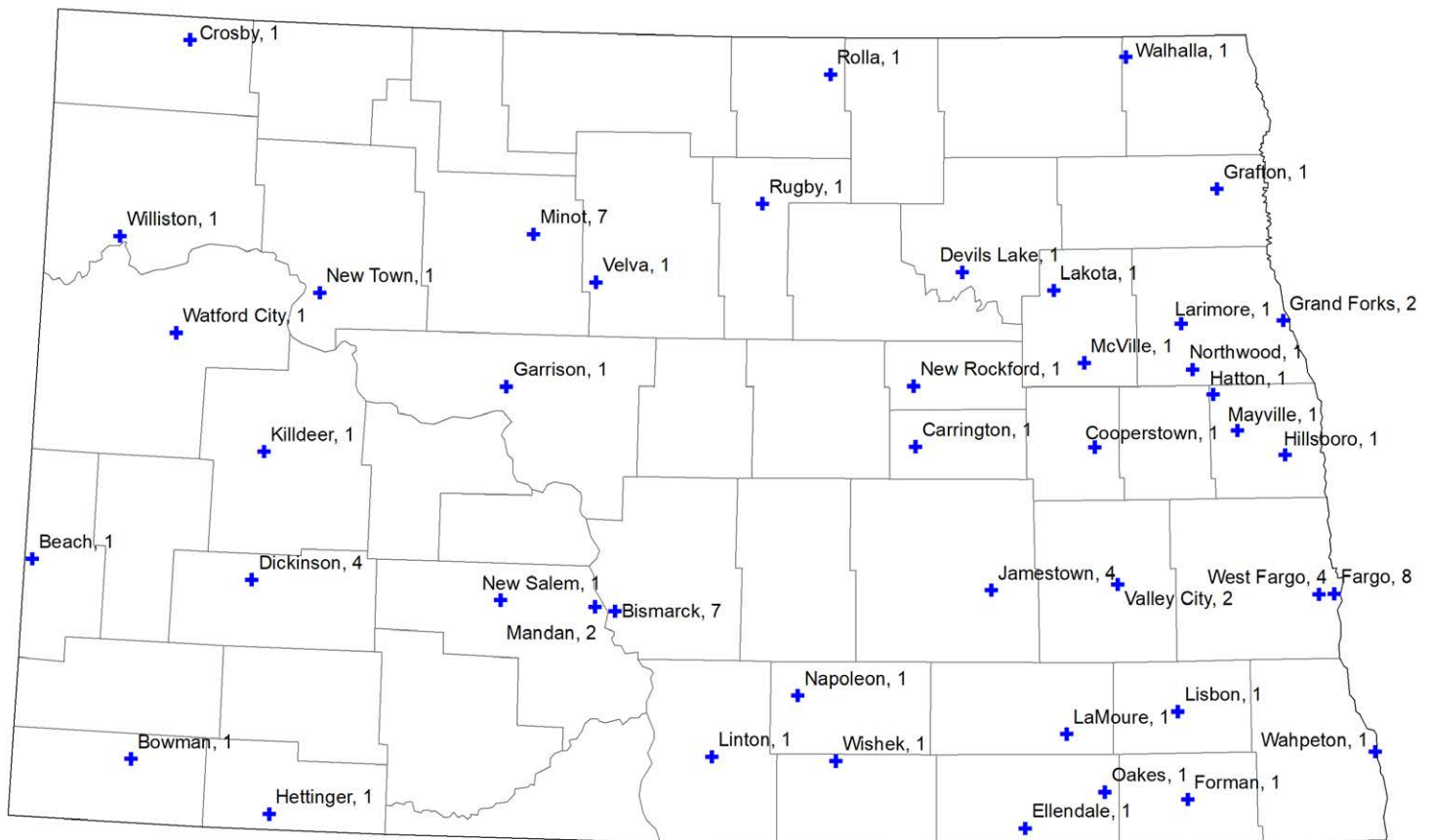
44 Assisted Living Facilities representing 1051 tenants participated in the survey October 2018

NDLTCA Members Assisted Living

<u>City</u>	<u>Facility Name</u>	<u>City</u>	<u>Facility Name</u>
Bismarck	Augusta Place – a Prospera Community	Jamestown	Edgewood Senior Living Jamestown
Bismarck	Edgewood Dominion	Jamestown	Eventide Jamestown
Bismarck	Edgewood Village	Jamestown	Heritage Centre of Jamestown, Inc.
Bismarck	Prairie Pointe	Killdeer	Legacy Lodge
Bismarck	Primrose Retirement Community	Lakota	Good Samaritan Society - Prairie Rose
Bismarck	St. Gabriel's Community	LaMoure	Rosewood Court Assisted Living
Bismarck	Touchmark on West Century	Larimore	Good Samaritan Society - Larimore
Bismarck	Valley View Heights	Lisbon	Beverly Anne Assisted Living Center
Bowman	Sunrise Village	Mandan	Edgewood Mandan
Carrington	Golden Acres Estate	Mandan	Lakewood Landing
Cooperstown	Park Place	Mayville	Sun Center
Crosby	Northern Lights Villa	McVie	Nelson County Health System Assisted Living
Devils Lake	Eventide Heartland Courts	Minot	Edgewood Minot Senior Living Care
Dickinson	Benedict Court	Minot	Elmcroft of Minot
Dickinson	Edgewood Hawks Point	Minot	ProHealth Home Care
Dickinson	Evergreen	Minot	The View on Elk Drive
Dickinson	Park Avenue Villa	Minot	The Wellington
Ellendale	Evergreen Place and Assisted Living	Napoleon	Napoleon Congregate/Assisted Living Apartments
Fargo	Bethany Gables	New Rockford	Heritage House
Fargo	Bethany Towers	New Salem	Elm Crest Assisted Living
Fargo	Edgewood Senior Living Fargo	New Town	Lakeside Community Living Center
Fargo	Eventide Fargo	Northwood	Northwood Deaconess Health Center
Fargo	Good Samaritan Society - Fargo	Oakes	Good Samaritan Society - Royal Oakes
Fargo	Pioneer House Assisted Living for Seniors	Rugby	Haaland Estates - Assisted Living
Fargo	CHI Riverview	Valley City	The Legacy Place
Fargo	Touchmark at Harwood Groves	Velva	Valley View Manor
Forman	Four Seasons Healthcare Center	Wahpeton	Siena Court
Garrison	The Meadows	Walhalla	North Border Estates
Grafton	Leisure Estates	Watford City	Horizon Assisted Living
Grand Forks	Edgewood Parkwood Place, LLC	West Fargo	Eventide at Sheyenne Crossings
Grand Forks	Wheatland Terrace	West Fargo	Kind-er Care
Hatton	Hatton Prairie Village	West Fargo	New Perspective
Hettinger	Western Horizons Assisted Living	Williston	Arbor House
Hillsboro	Sanford Health Comstock Corner	Wishek	Prairie Hills Assisted Living

Assisted Living Map

North Dakota Assisted Living Facilities



+ City (Number of Assisted Living Facilities)

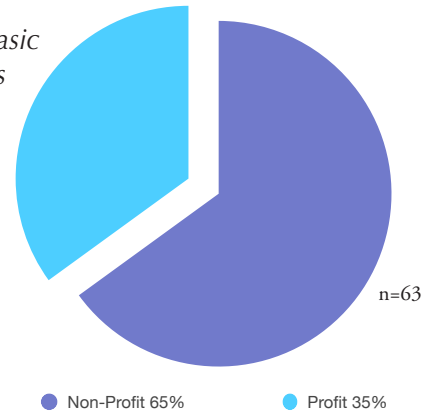
Source: ESRI, North Dakota Long Term Care Association
Created by the North Dakota Healthcare Workforce Group
on 3/28/2018

Basic Care Facts

BASIC CARE AT A GLANCE

64 licensed basic care facilities
2,045 licensed units
 2018 average occupancy was **77%**

Ownership of Basic Care Facilities

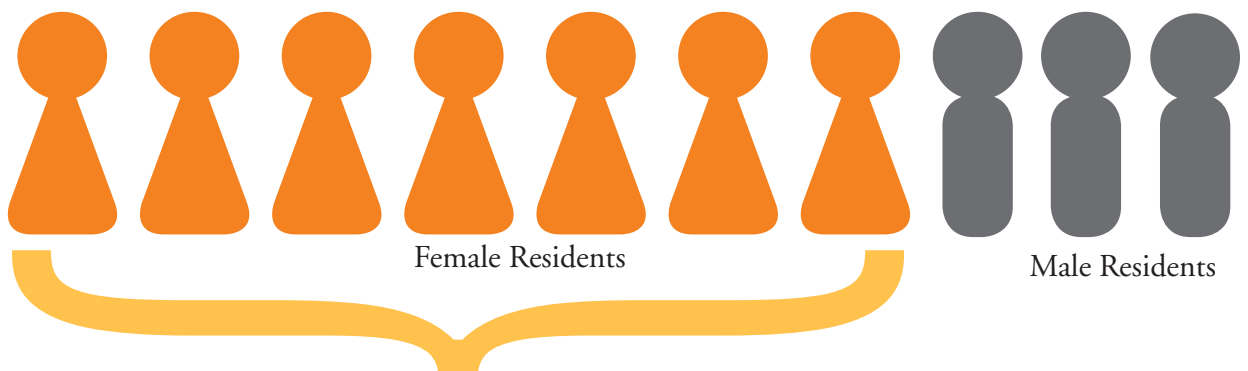


Basic Care Facts

- A basic care facility is a congregate residential setting with private and semi-private rooms, providing 24-hour staffing.
- Basic Care provides an all-inclusive rate providing room, meals, personal care services, supervision, activities, transportation, medication administration, nursing assessment, and care planning.
- Current residents range in age from 39 to 105 years old, with the average age being 83.



Gender of Basic Care Residents
 n=788



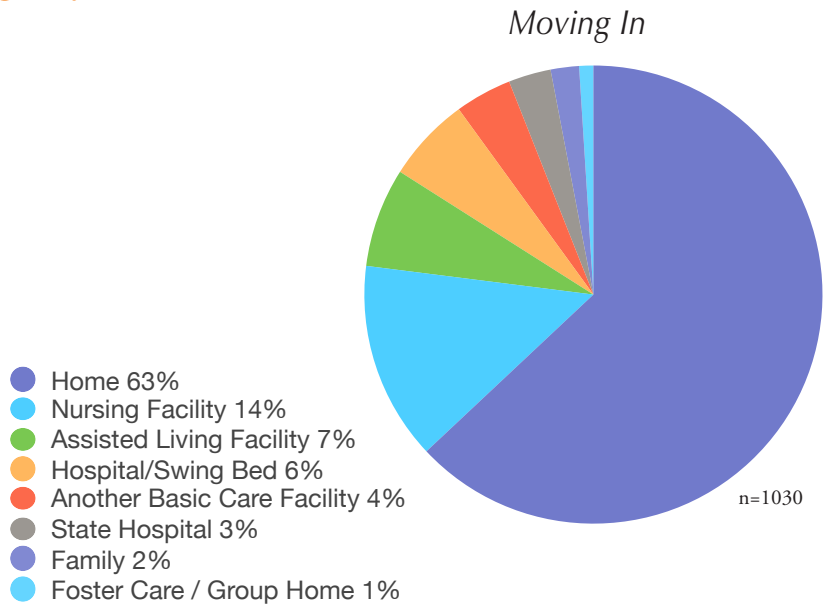
70% of tenants in North Dakota BASIC CARE are female

Basic Care Facts

When individuals move into a basic care facility,
where do they come from?

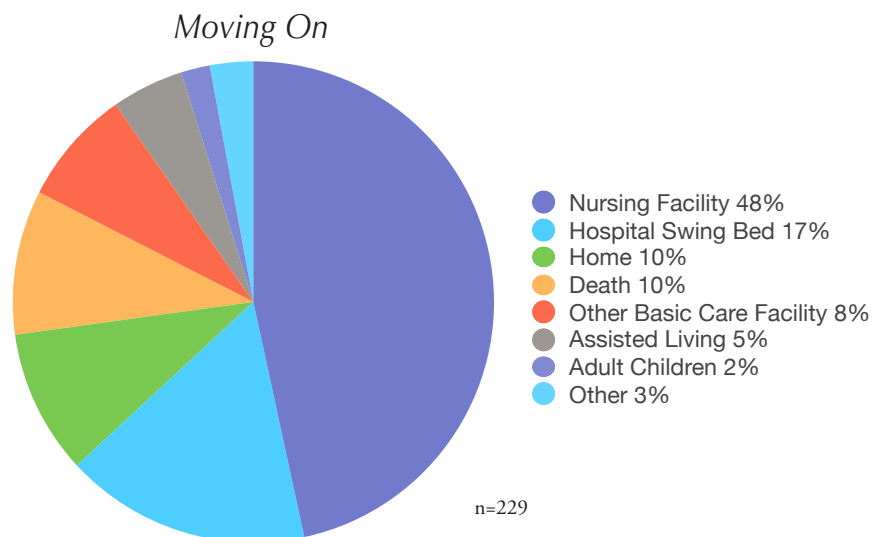
Top three reasons for basic care admission:

- 1) Needs assistance
- 2) Needs supervision
- 3) Confusion



When individuals move out of a basic care facility,
where do they go?

Almost half of residents discharged from a basic care facility are admitted to a skilled nursing facility. Medical needs, physical limitations, and growing cognitive issues necessitate the admission to a higher level of care.



Basic Care Facts

Care needs of basic care tenants

85% of residents have impaired mental status, ranging from early stage dementia to disorientation.

20% of residents have a mental health diagnosis.

98% of residents need full assistance with medication administration.

55% of residents receiving psychoactive drugs.

12.7 the number of medications the average basic care resident takes.

59% of residents are independent in dressing, with 8% requiring extensive assistance.

76% of residents are ambulatory and do not need any staff assistance, 61% use a walker or cane and 10% use a wheelchair.

89% of residents are independent in transferring and 81% with toileting.

67% of residents need assistance bathing.

Basic Care WORKFORCE

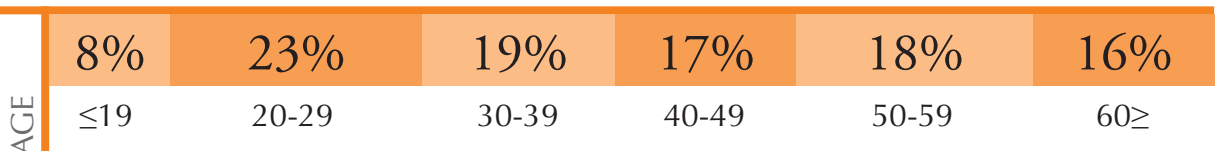


- The top issue facing basic care facilities is staffing and occupancy.
- 1,000 individuals are employed in 25 basic care facilities.
- In 2018 the average wage increase provided was 2.6%, while most tried to maintain health insurance with premiums increasing 5%.
- Three of the reporting 25 basic care facilities used contract nursing staff in their facilities in 2018, reporting they spent \$234,600 on contract staffing.
- The youngest employee is 15 years old and the oldest is 84 years old.



Age of Basic Care Workforce

n=1000



Basic Care Facts

Basic Care COST

Almost two-thirds (62%) of the residents living in basic care need assistance to pay for their care. The average basic care assistance rate on July 1, 2018 was \$123.80 per day. The rates ranged from \$79.26 to \$198.98 per day.

Cost of a Private Room: One-third of reporting basic care facilities charge extra for a private room. The average daily cost for a private room is \$10.73 per day, with a range of \$3.29 to \$21.70 per day.

Rate Equalization in Basic Care: It is allowable to charge private pay residents more than basic care assistance rates. Only a little over half (57%) of the reporting Basic Care Facilities charge the private pay more.



Basic Care Assistance 62%

Other 3%

Private Pay 35%*



Who Pays the Bill in Basic Care Facilities?

*13% of residents have LTC insurance that helps pay for their care

n=718

Basic Care Satisfaction Survey Results

Satisfaction	0-No Experience	1-Poor	2-Average	3-Good	4-Very Good	5-Excellent
Overall Satisfaction (n=645)	2%	<1%	6%	16%	31%	45%
Quality of Staff (n=645)	<1%	<1%	4%	14%	35%	47%
Quality of Care (n=645)	2%	0%	3%	16%	39%	40%
Quality of Food (n=645)	2%	4%	13%	22%	32%	28%

29 Basic Care Facilities representing 645 residents participated in the survey October 2018

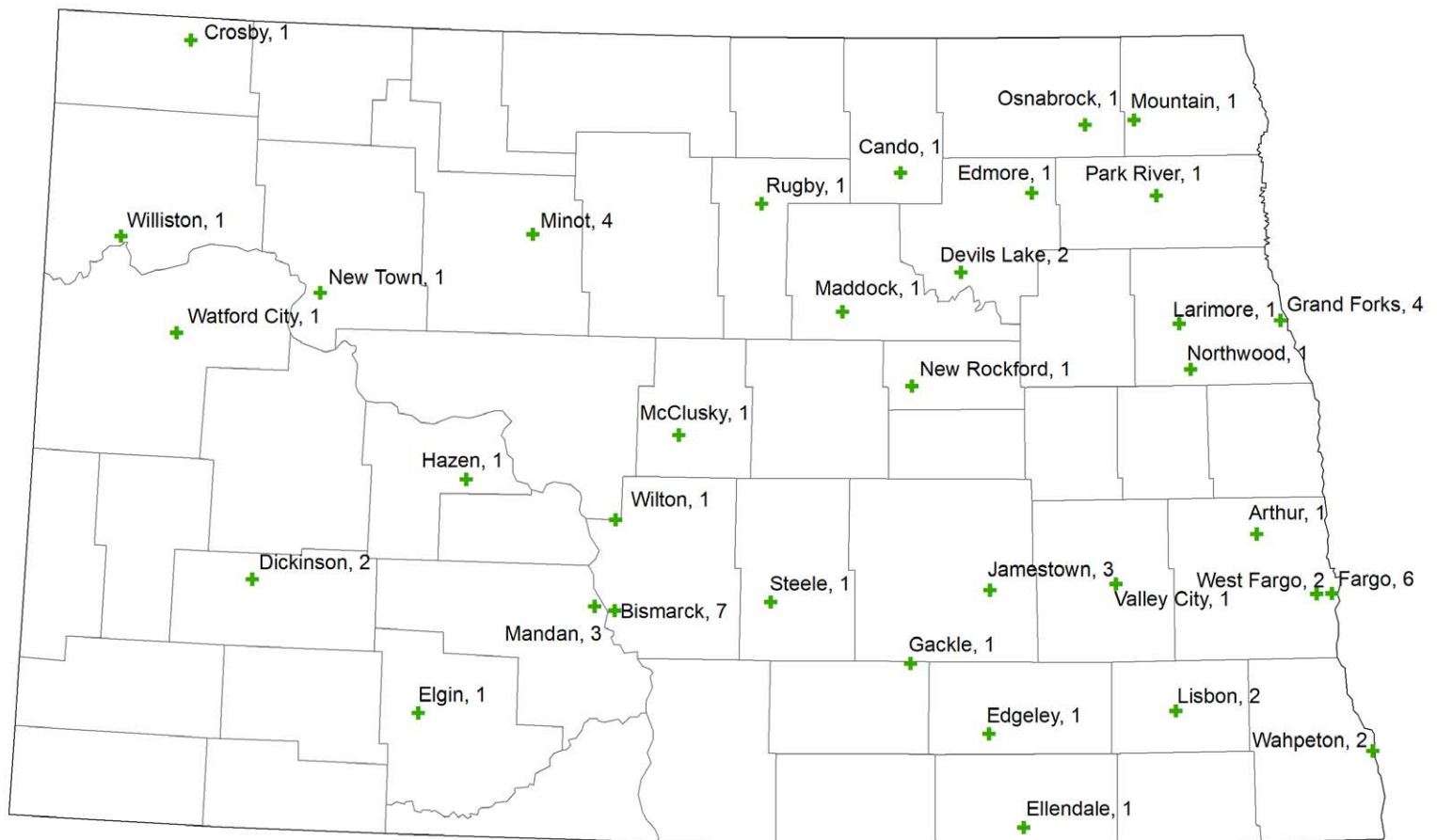
NDLTCA Members Basic Care Facilities

<u>City</u>	<u>Facility Name</u>
Arthur	Good Samaritan Society - Arthur
Bismarck	Augusta Place – a Prospera Community
Bismarck	Edgewood Dominion
Bismarck	Edgewood Village
Bismarck	Maple View
Bismarck	St. Gabriel's Community
Bismarck	The Terrace
Bismarck	Touchmark on West Century
Cando	St. Francis Residence
Crosby	St. Luke's Sunrise Center
Devils Lake	Good Samaritan Society - Lake Country Manor
Devils Lake	Odd Fellows Home
Dickinson	Dickinson Country House LLC
Dickinson	Evergreen
Edgeley	Manor St. Joseph
Edmore	Edmore Memorial Rest Home
Elgin	Dakota Hill Housing
Ellendale	Evergreen Place
Fargo	Bethany Towers
Fargo	Ecumen Evergreens of Fargo
Fargo	Edgewood Senior Living Fargo
Fargo	Good Samaritan Society - Fargo
Fargo	Maple View Memory Care
Fargo	Touchmark at Harwood Groves
Gackle	Gackle Care Center
Grand Forks	Maple View Memory Care
Grand Forks	Edgewood Parkwood Place, LLC
Grand Forks	St. Anne's Guest Home
Grand Forks	Tufte Manor
Hazen	Senior Suites at Sakakawea
Jamestown	Edgewood Senior Living Jamestown

<u>City</u>	<u>Facility Name</u>
Jamestown	Rock of Ages
Jamestown	Rosedale
Lakota	Good Samaritan Society - Lakota
Larimore	Good Samaritan Society - Larimore
Lisbon	North Dakota Veterans Home
Lisbon	Parkside Lutheran Home
Maddock	Maddock Memorial Home
Mandan	Dakota Pointe
Mandan	Edgewood Mandan
Mandan	Lakewood Landing
McClusky	Sheridan Memorial Home
Minot	Edgewood Minot Senior Living Care
Minot	Edgewood Memory Care
Minot	Edgewood Memory Care II
Minot	Maple View Memory Care - Minot
Mountain	Borg Pioneer Memorial Home
Napoleon	Napoleon Care Center
New Rockford	Lutheran Home of the Good Shepherd
New Town	Lakeside Community Living Center
Osnabrock	Osnabrock Community Living Center
Park River	Good Samaritan Society - Park River
Rugby	Haaland Estates - Basic Care
Steele	Golden Manor Inc.
Valley City	Hi Soaring Eagle Ranch
Wahpeton	Siena Court
Wahpeton	The Leach Home
Watford City	McKenzie County Healthcare Systems
West Fargo	Eventide at Sheyenne Crossings
West Fargo	New Perspective
Williston	Bethel Lutheran Nursing & Rehabilitation Center
Wilton	Redwood Village

Basic Care Map

North Dakota Basic Care Facilities



+ City (Number of Basic Care Facilities)

Source: ESRI, North Dakota Long Term Care Association
Created by the North Dakota Healthcare Workforce Group
on 3/28/2018

Nursing Facility Facts

Nursing Facilities AT A GLANCE

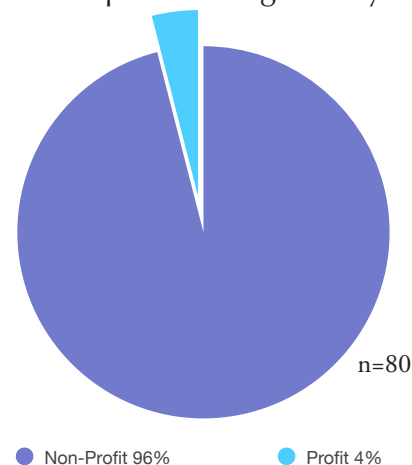
80 licensed nursing facilities

5,963 licensed beds

2018 average daily rate is **\$271.71**

2018 average occupancy was **92.6%**

Ownership of Nursing Facility



Nursing Facility Facts

- Resident needs are complex and they are in need of 24-hour nursing care.
- Almost two-thirds of residents are admitted after a hospital stay (62%).
- The most significant issue necessitating admission to a nursing facility is the need for care throughout the day. Residents are unable to meet their own needs for dressing, toileting, eating, and remaining safe. Most often their medical needs are complex, requiring continuous attention.
- Current residents range in age from 13 months to 114 years old, with the average age being 86.5.
- Seventy of the eighty reporting facilities discharge 6318 residents in the 12-months period ending June 30, 2018.
- According to CMS data, in 2018 ND nursing facilities had the second highest percentage of residents age 95 and older, 8.74% of all residents compared to the US average of 5.15%. ND nursing facilities hold the highest record for the 85-94 age group at 45.8%, compared to the US average of 31.3%.

Gender of Nursing Facility Residents

n=4617



66% of residents in North Dakota NURSING FACILITIES are female

Nursing Facility Facts

Why do individuals move into a nursing facility?

The top four reasons for nursing facility admission:

- 1) Assistance with daily care
- 2) Complex Medical needs
- 3) Falls
- 4) Needs continuous supervision



When residents are discharged from a skilled nursing facility, where do they go?

48% of ND nursing home residents are **discharged back home** or to a lower level of care.

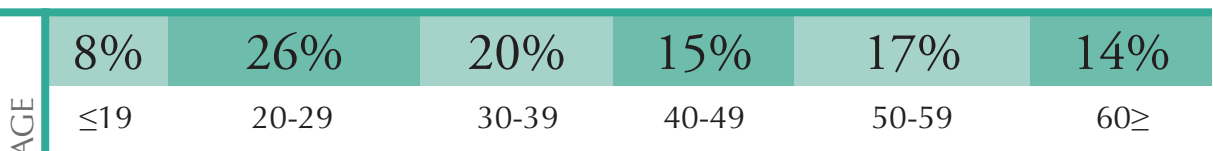
Nursing Facility WORKFORCE



- The top issue facing nursing facilities is staffing; as of September 1, 2018, 61 nursing facilities reported 723 vacant positions.
- 9,241 individuals are employed in 61 nursing facilities.
- 9% (n=61) of reporting nursing facilities stopped admissions in 2018 because of lack of staff.
- 82% of nursing facilities used contract agency staff in 2018.
- In 2018, over one-quarter of nursing facilities could not provide a salary increase. Health insurance cost has been unpredictable, ranging from zero to a 20% increase.
- Turnover and workforce age will create an unprecedented demand for employees in the near future.
- Thirty-one percent of the workforce is age 50 or older, with the oldest employee being 92.
- 81% of North Dakota's 53 counties are designated as health professional shortage areas.

Age of Nursing Facility Workforce

n8,956

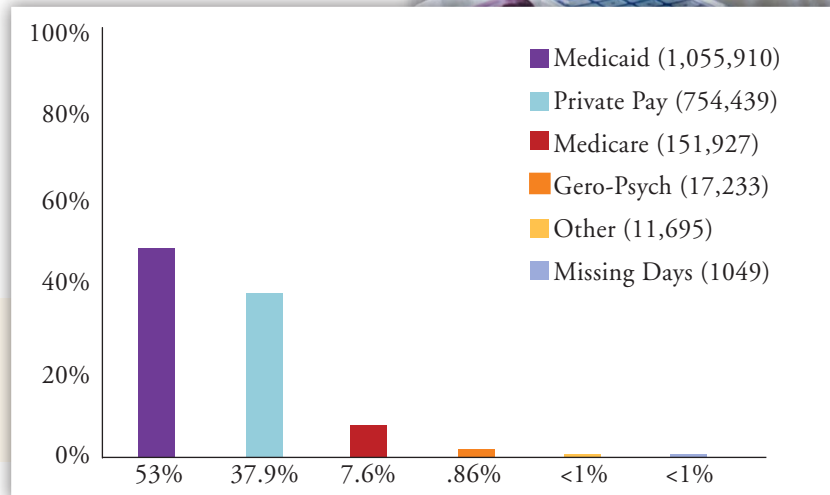


Nursing Facility Facts

Nursing Facility COST

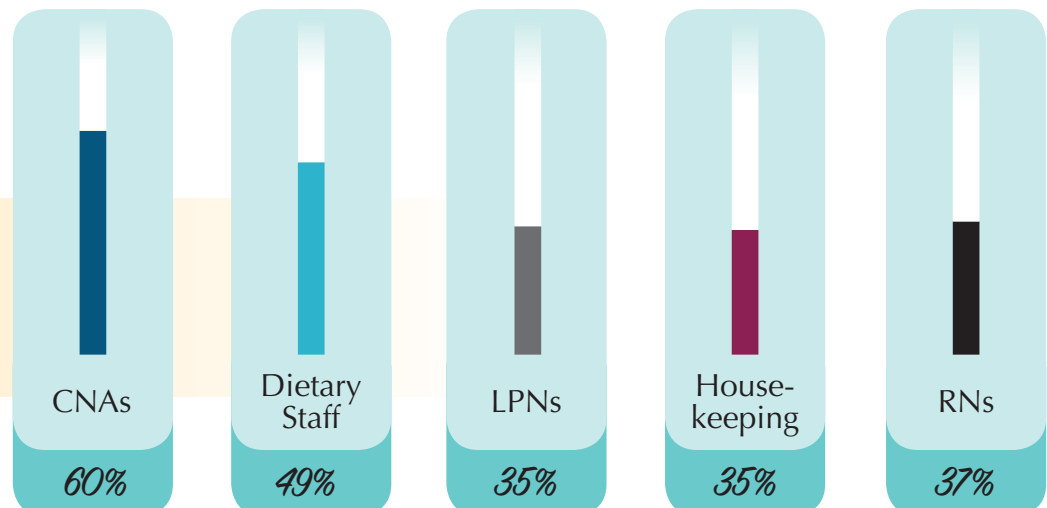
In 2018,
the average cost for
ONE DAY of
nursing facility care is
\$270.71

Of the approximate
38% of residents that
are private pay, on
September 1, 2018,
19% had a long term
care insurance policy
paying for a
portion of their care.



North Dakota Nursing Facility Days Payor Sources

2018 Nursing Facility Staff Turnover



Nursing Facilities

North Dakota is ranking high Resident Satisfaction

Item	Rating Value	North Dakota	United States
Overall Satisfaction	4 & 5	90%	78%
Nursing Care	4 & 5	93%	84%
Cleanliness	4 & 5	95%	86%
Dignity & Respect	4 & 5	96%	92%
Recommend to Others	4 & 5	93%	83%
Safety & Security	4 & 5	97%	90%

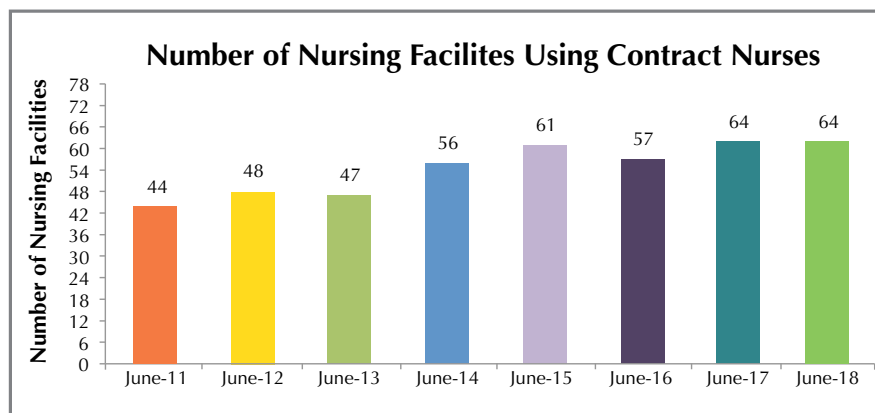
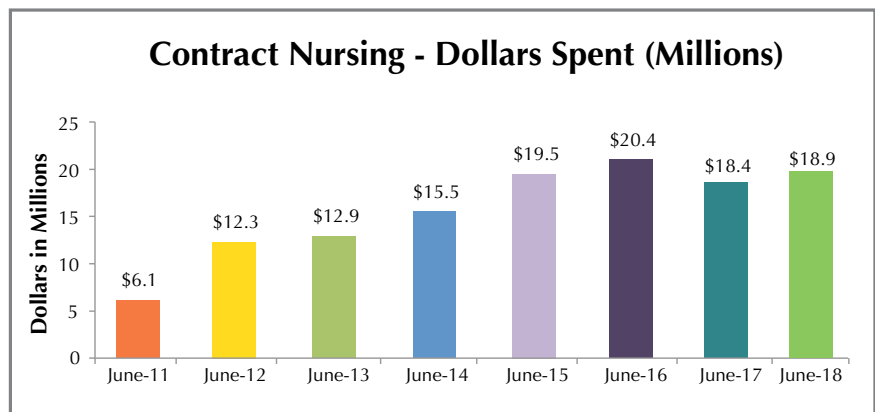
Nursing Facilities Salaries as of September 2018

CNA Entry Wage *\$14.81 Avg*
Cook Entry Wage *\$13.68 Avg*

House Keeping Entry Wage *\$12.27 Avg*
Dietary Aide Entry Wage *\$12.14 Avg*

Contract Nursing IN NURSING FACILITIES

When facilities face staffing shortages, one option is to use contract staff to provide daily resident care. In 2018, 64 of 78 nursing facilities or 82% used contract nursing agencies.



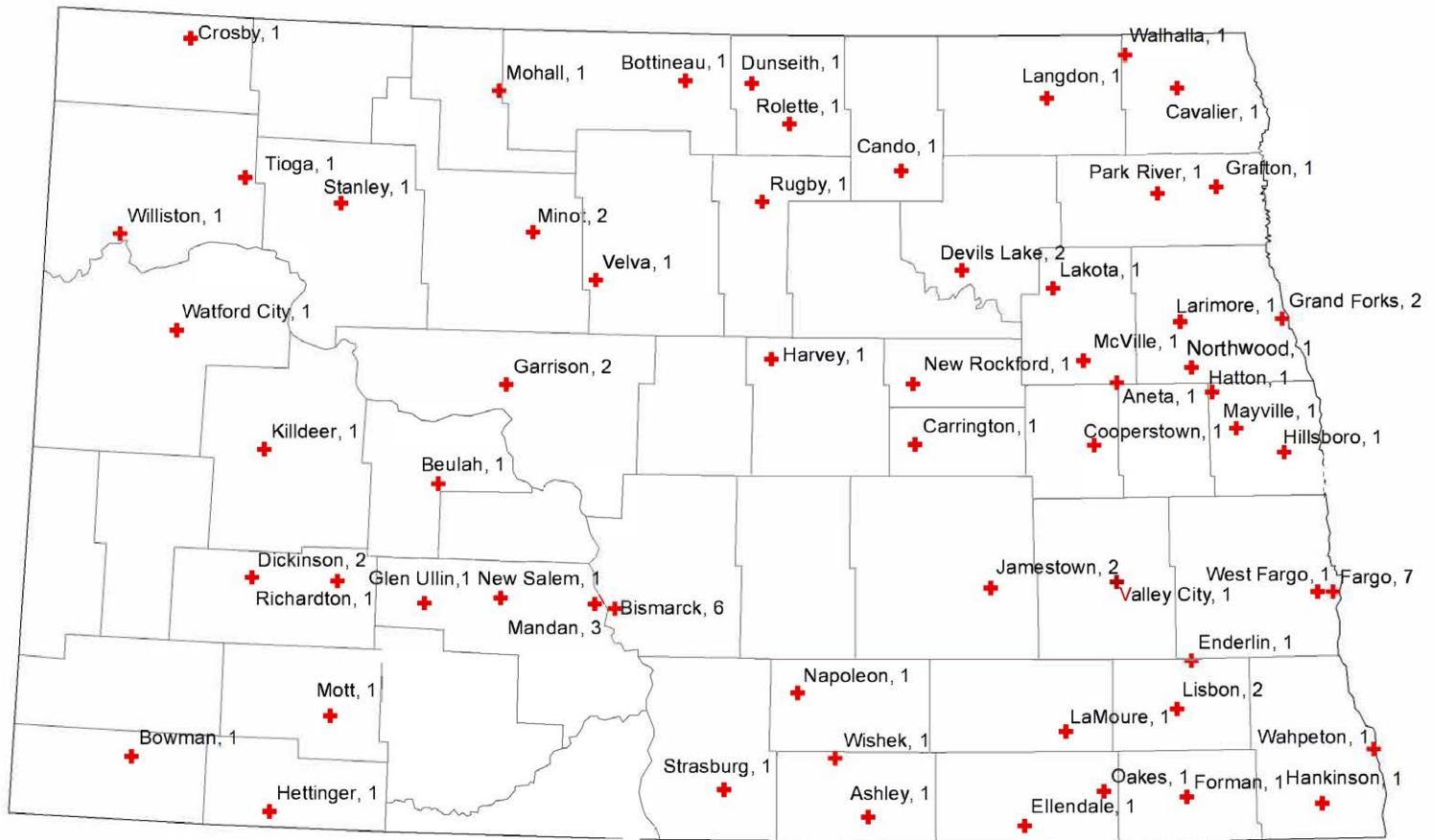
NDLTCA Members Nursing Facilities

<u>City</u>	<u>Facility Name</u>
Aneta	Aneta Parkview Health Center
Ashley	Ashley Medical Center and Nursing Home
Beulah	Knife River Care Center
Bismarck	Augusta Place – a Prospera Community
Bismarck	Baptist Healthcare Center
Bismarck	Missouri Slope Lutheran Care
Bismarck	St. Vincent's – a Prospera Community
Bismarck	CHI St. Alexius Medical Center - TCU
Bismarck	St. Gabriel's Community
Bottineau	Good Samaritan Society - Bottineau
Bowman	Southwest Healthcare Services
Cando	Towner County Living Center
Carrington	Golden Acres Manor
Cavalier	Wedgewood Manor
Cooperstown	Griggs County Care Center
Crosby	St. Luke's Sunrise Care Center
Devils Lake	Good Samaritan Society - Devils Lake
Devils Lake	Eventide Heartland Care Center
Dickinson	St. Benedict's Health Center
Dickinson	St. Luke's Home
Dunseith	Dunseith Community Nursing Home
Ellendale	Prince of Peace Care Center
Enderlin	Maryhill Manor
Fargo	Bethany on 42nd Skilled Care
Fargo	Bethany on University Skilled Care
Fargo	Elim Care - A Caring Community
Fargo	Eventide Fargo
Fargo	The Meadows on University
Fargo	Rosewood on Broadway
Fargo	Villa Maria
Forman	Four Seasons Healthcare Center, Inc
Garrison	Benedictine Living Center of Garrison
Garrison	CHI St. Alexius - Garrison
Glen Ullin	Marian Manor Healthcare Center
Grafton	Lutheran Sunset Home
Grand Forks	Valley Eldercare Center
Grand Forks	Woodside Village
Hankinson	St. Gerard's Community of Care
Harvey	St. Aloisius Medical Center
Hatton	Hatton Prairie Village

<u>City</u>	<u>Facility Name</u>
Hettinger	Western Horizons Care Center
Hillsboro	Sanford Health Hillsboro Care Center
Jamestown	Ave Maria Village
Jamestown	Eventide
Killdeer	Hill Top Home of Comfort
Lakota	Good Samaritan Society - Lakota
LaMoure	St. Rose Care Center
Langdon	Maple Manor Care Center
Larimore	Good Samaritan Society - Larimore
Lisbon	North Dakota Veterans Home
Lisbon	Parkside Lutheran Home
Mandan	Dakota Alpha
Mandan	Miller Pointe – a Prospera Community
Mandan	Sunset Drive – a Prospera Community
Mayville	Luther Memorial Home
McVie	Nelson County Health Systems Care Center
Minot	Minot Health and Rehab
Minot	Trinity Homes
Mohall	Good Samaritan Society - Mohall
Mott	Good Samaritan Society - Mott
Napoleon	Napoleon Care Center
New Rockford	Lutheran Home of the Good Shepherd
New Salem	Elm Crest Manor
Northwood	Northwood Deaconess Health Center
Oakes	Good Samaritan Society - Oakes
Park River	Good Samaritan Society - Park River
Richardton	Richardton Health Center
Rolette	Rolette Community Care Center
Rugby	Heart of America Medical Center
Stanley	Mountrail Bethel Home
Strasburg	Strasburg Care Center
Tioga	Tioga Medical Center Long Term Care
Valley City	Sheyenne Care Center
Velva	Souris Valley Care Center
Wahpeton	Benedictine Living Community – St Catherines Living Center
Walhalla	Pembilier Nursing Center
Watford City	McKenzie County Healthcare Systems
West Fargo	Eventide Sheyenne Crossings Care Center/TCU
Williston	Bethel Lutheran Nursing & Rehabilitation Center
Wishek	Wishek Living Center

Nursing Facility Map

North Dakota Nursing Facilities



✚ City (Number of Nursing Facilities)

Source: ESRI, North Dakota Long Term Care Association Created by the North Dakota Healthcare Workforce Group on 3/28/2018

NDLTCA Board Members

Craig Christianson, Chair
Sheyenne Care Center, Valley City | (701) 845-8222

Greg Salwei, Past Chair
Wishek Living Center, Wishek | (701) 452-2333

Cynthia Tredwell, Vice Chair
Hatton Prairie Village, Hatton | (701) 543-3102

Janessa Vogel, Secretary/Treasurer
Elm Crest Manor, New Salem | (701) 843-7526

Kari Dick, Assisted Living Director-At-Large
Touchmark at Harwood Groves, Fargo | (701) 476-1200

Joyce Linnerud Fowler, Basic Care Director-At-Large
Bethany Gables | (701) 478-8900

Tony Keelin, Nursing Facility Director-At-Large
Rosewood on Broadway, Fargo | (701) 277-7999

Tod Graeber, Hospital Attached Director-At-Large
CHI St Alexius Health, Garrison | (701) 463-2275

Daniel Kelly, Region I Director
Mckenzie County Health Care System, Watford City | (701) 842-3000

Pete Antonson, Region II Director
Northwood Deaconess Health Center, Northwood | (701) 587-6060

Amy Kreidt, Region III Director
St. Lukes Home, Dickinson | (701) 483-5000

Tony Elsperger, Region IV Director
Sunset Drive - a Prospera Community, Mandan | (701) 323-1411

Richard Regner, Region V Director
Napoleon Care Center, Napoleon | (701) 754-2381

Tim Kennedy, Region VI Director
Parkside Lutheran Home, Lisbon | (701) 683-5239

NDLTCA Staff



*Shelly Peterson
President*



*Peggy Krikava
Education Director*



*Carol Ternes
Executive Assistant*



*Susan Bahmiller
Education Assistant*



*Vanessa Raile
Director of
Emergency Planning*



*Shawn Surface
Account Tech*

Testimony on SB 2168

Senate Human Services Committee

January 16, 2019

Good morning Chairman Lee and members of the Senate Human Services Committee. My name is Lana Charvat, Director of Maple View Memory Care Community here in Bismarck. I am here today to ask for your support of SB 2168.

Maple View is a 36-bed dementia care facility. In ND there are 4 Maple View facilities. We are 4 of the 15 facilities Shelly described in her testimony. We all serve those with Alzheimer's, dementia and memory loss and we all accept Medicaid.

Maple View became a Medicaid provider in 2006 at our original location on 19th Street in Bismarck. Our newer building on Montreal was being constructed at that time. Our Montreal location was solely private pay until 2016 when we put a new addition onto this location in order to move our Medicaid residents to a newer, larger, more private setting. When we made that move, we were required to submit a new application for Medicaid through the Department of Human Services for that specific location. The older location closed once our new addition was ready to move residents into. We submitted our Medicaid application and much to our surprise and disappointment were given a rate that was significantly lower than that of our original Medicaid rate at the 19th Street location. Our old rate was \$110.84/day while the new rate we were given for our new location with larger rooms, private bathrooms, increased staffing and more amenities was set at \$86.29/day.

That is a \$24.55 loss per resident per day. When we questioned this low amount, we were informed that once the rate was set there was no process in which to adjust it. In that same year another facility in the same market, offering the same services in the Bismarck/Mandan area received a rate of \$148.20/day. That is \$61.91 more per resident per day than we were given.

Over the past few years we have discussed with DHS our desperate need for a rate increase. We requested the same rate that we received previously at our 19th Street location. We simply wanted a reasonable rate in which we could afford to provide the much needed service to these public pay individuals who reside and flourish in our community. If these residents were to be discharged from our facility they would need to go to a skilled care facility in which the state funded Medicaid would be paying a significantly higher rate than they would by allowing us a reasonable rate.

At Maple View Bismarck, we have 8 beds designated for Medicaid although we recently have had to increase that number to 11 due to residents who live here having spent down and are now needing Medicaid. This has put a financial strain on us and the demand for that seems to be steadily increasing. We simply cannot continue to add to this number and be financially viable any longer.

As a provider, we are more than willing to offer our service and care for individuals in need of Medicaid if we are able to feasible do so. We want to continue to serve anyone in need of our services regardless of them needing Medicaid assistance or being private pay. This Senate Bill would allow us to do so.

When one of our residents spends down their assets and is at the point of needing to apply for Medicaid the last thing we want to do is inform their loved one that they have to move them to a skilled nursing facility simply because of their financial situation. Especially when they still meet our admission criteria to reside at Maple View and when they are thriving and doing well in our care. A move from our facility could be very difficult for them. As anyone who has experience working with someone with memory impairment, a move typically is devastating to him or her. Our goal is to keep them with us until they reach the point in which they are no longer appropriate for our setting. At that point and time they are generally so advanced in their disease process that they do not even notice the change of environment when they move to a higher level of care.

It truly takes special people to care for individuals with dementia and memory loss. Not everybody has the patience, compassion and dedication to be successful at it. We often hear from friends and family of those we care for just how grateful

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they are that we exist. They are so appreciative of the care we provide. They recognize the value placed upon the continual training and specialized dementia education we provide all of our staff members. We are proud of the service we provide and the quality of life we give those suffering from dementia. Our facilities are small and specially designed to meet the needs of someone with memory impairment. Maple View facilities are all stand-alone facilities that are not attached to large assisted living or skilled facilities. To be able to continue to offer this valuable service to those in need that happen to also need financial assistance we need to be able to afford it. Please consider offering us the relief we so desperately need to maintain our service in our communities.

I would like to thank you for your time and consideration of this testimony today on behalf of Senate Bill 2168 and thank you for the opportunity for me to share this with you.

Lana Charvat, Director

Maple View Memory Care Community

Bismarck, ND

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Testimony on SB 2168
Senate Appropriations Committee
February 1, 2019

Good morning Chairman Holmberg and members of the Senate Appropriations Committee. My name is Shelly Peterson, President of the North Dakota Long Term Care Association. We represent 214 assisted living, basic care, and nursing facilities. I am here today to testify in support of SB 2168 and ask for your support.

SB 2168 requests an appropriation for qualified service providers licensed as basic care adult residential service providers to “rebase” their rates. Today, there are 15 adult residential care providers. Of those 15, two care for individuals with head injuries and the remaining thirteen care for those with Alzheimer’s or a related dementia.

Per NDAC 75-03-23-9(2) rates for this type of provider is established at the time of enrollment when the Medicaid provider agreement is signed. Adult residential rates are initially established using cost information provided by the facility. Over the years, facilities have received some inflationary adjustments, but those have been frozen since 2016. Adult residential facilities are considered agency QSP’s, by DHS. When QSP individuals and agency rates were adjusted or the rural differential added adult residential care facilities did not see that same adjustment. When the developmentally disabled, nursing facility and basic care staff received wage pass-through adjustments, adult residential care providers did not receive that adjustment.

One of the very first providers to enroll in the program was Roseadele in Jamestown. They have been providing 24 hour care to individuals with

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Alzheimer's since 1999. Can you imagine signing a provider agreement years ago and being locked into that rate? These facilities specialize in the care to those with Alzheimer's and related dementia or those with a traumatic brain injury. All residents who are admitted screen in need of skilled nursing care, but they are cared for in this more independent setting, licensed as basic care. This approach is more cost effective than 24 hour skilled nursing care, where each of these individuals would reside if these facilities did not exist. These facilities are highly regarded by family and residents, the units are smaller, thus the environment is not as overwhelming.

Below is a list of the 15 adult residential care facilities, their daily Medicaid rate, their licensed bed capacity and their occupancy recently reported in the ND Revised Statewide Transition Plan for HCBS Settings.

Adult Residential Facilities	Daily Rate	City	Licensed Beds	Residents in 2018
Maple View Bismarck	\$ 86.29	Bismarck	36	36
Edgewood Fargo Senior Living	\$ 92.44	Fargo	23	23
Maple View Memory Care of Minot	\$ 98.73	Minot	37	35
Edgewood Mandan Senior Living	\$102.42	Mandan	22	22
Maple View Fargo	\$103.55	Fargo	36	33
Ecumen – Evergreens of Fargo	\$109.73	Fargo	15	15
Edgewood Minot Senior Living	\$110.46	Minot	22	22
Emerald Court II, INC	\$114.52	Minot	28	24
Roseadele	\$115.72	Jamestown	20	20
Edgewood Bismarck Senior Living	\$117.51	Bismarck	20	20
Maple View Grand Forks	\$120.16	Grand Forks	36	35
Edgewood Senior Living	\$121.80	Jamestown	43	opened 11-30-18
Lakewood Landing INC	\$148.20	Mandan	17	17
Open Door Center	\$165.47	Valley City	10	9
Dakota Pointe – HIT INC	\$189.61	Mandan	10	10

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Besides the daily rates above, a room and board rate is charged. Effective 5-1-18 that rate is \$715.00. ~~1~~
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We are deeply appreciative of these providers caring for individuals of all income levels. The reason others do not is because the payment is considered insufficient to care for this population. As it is right now, some providers above do charge the private pay more and some limit their Medicaid admissions. I mentioned to you before, Roseadele has been enrolled in the program for almost 20 years. During this time they have been able to request and receive a rate adjustment, but today DHS indicates they do not have the authority or appropriations to grant rate adjustments, that is why SB 2168 is here today. Two years ago we did request \$100,000 in the DHS budget, HB 1012, for this purpose, but it was not funded.

Based on the ND Administrative Code 75-03-23-09, Maple View – Bismarck requested a rate adjustment last summer. The rules state:

75-03-23-09. Payment under the SPED program and the Medicaid waiver program.

1. The department shall establish provider rates for home and community-based service in accordance with a procedure that factors in:
 - a. Whether a provider is an individual or an agency; and
 - b. The range of rates submitted by various providers.
2. The rate for a specific qualified service provider is established at the time the provider agreement is signed.
3. The department shall grant a request for a rate decrease when the department receives a written request for the decrease from the qualified service provider.
4. The department shall grant in full or in part, or shall deny, a request for a rate increase when the department receives a written request for the rate increase from the qualified service provider.

The rate request from Maple View – Bismarck was denied. Attached is a copy of the denied request. In the denial letter the department states they do not have an appropriation or the authority to grant a rate increase at this time.

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The DHS budget, SB 2012, has requested a 1% inflationary increase for all providers. If that is granted, Maple View's daily rate of \$86.29, would increase by approximately .09 cents per day to \$86.38 per day. Maple View needs an opportunity for rebasing of their rate, a small inflationary adjustment won't significantly make a differences.

DHS has two types of QSP's, individuals and agencies. Adult residential dementia units are considered agency QSP's by DHS. Although they are considered an agency QSP, their rate system is not the same and in Maple View's case and others, it is far below the QSP agency rate.

The DHS QSP rates for providers are:

- QSP agency -\$27.96 hourly
- QSP individual - \$20.36 hourly
- Converting Maple View's daily rate of \$86.29, including their room and board rate of \$23.50 (\$715 monthly), their hourly rate would be \$4.57 hourly, much below the agency QSP hourly rate of \$27.96.

SB 2168 would give DHS the authority and money to adjust rates to QSP – Adult Residential Care Providers. The provider would still need to submit evidence showing the actual cost of delivering care.

The 2018 average nursing facility rate is \$271.71 per day. Thus everyone saves money by caring for these individuals in our adult residential care dementia units. They continue to be in demand and will for the foreseeable future. Alzheimer's is our third leading cause of death in

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North Dakota and North Dakota is number two in the nation for our proportion of individuals suffering with Alzheimer's. These facilities want to care for those with this condition, regardless of their payment source. But they won't be able to continue to care for the low income population without updating rates that were established when they enrolled in the Medicaid program.

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Your support of this legislation is requested. I would be happy to answer any questions you may have.

Shelly Peterson, President
North Dakota Long Term Care Association
1900 North 11th Street
Bismarck, ND 58501
(701) 222-0660

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north dakota
department of
human services

Doug Burgum, Governor
Christopher Jones, Executive Director

SB 2168 2-1-19
A/P/L
Aging Services Division

1237 West Divide Avenue Ste 6, Bismarck, ND 58501

(701) 328-4601

Fax (701) 328-8744

ND Aging and Disability Resource-LINK Toll Free 1-855-482-5485

TTY (701) 328-8968

May 02, 2018

Gaylin Schmidt, Owner
Maple View Memory Care
4217 Montreal St
Bismarck, ND 58503

Dear Gaylin,

The Department received your request for an increase in the adult residential service rate for Maple View Memory Care, Bismarck. We reviewed your letter and appreciate the explanation you provided for making the request and your willingness to serve Medicaid waiver recipients.

Per NDAC 75-03-23-09 (2), the rates for Qualified Service Providers (QSP), including adult residential service providers, are established at the time of enrollment when the Medicaid provider agreement is signed. Adult residential rates are initially established using cost information provided by the facility. In addition, the federal 1915 (c) CMS waiver agreement states that after an initial rate is set, rate increases are based on Legislative action.

As you are aware, the 2017-2018 Legislature did not grant rate increases for QSPs. I also understand that the Long Term Care Association requested additional funds to increase the rates for basic care adult residential facilities but that request was not funded. Therefore, the Department does not have an appropriation or the authority to grant a rate increase at this time.

If you have additional questions please feel free to contact me via email nmaier@nd.gov or phone 701-328-4607.

Sincerely,

Nancy Nikolas Maier
Director, ND DHS Aging Services

C: Lana Charvat, Maple View Bismarck Facility Director
Chris Jones, DHS Executive Director
Maggie Anderson, Director DHS Medical Services

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2-1-19

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Testimony on SB 2168

Senate Appropriations Committee

February 1, 2019

Good morning Chairman Holmberg and members of the Senate Appropriations Committee. My name is Lana Charvat, Director of Maple View Memory Care Community here in Bismarck. I am here today to ask for your support of SB 2168.

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they are that we exist. They are so appreciative of the care we provide. They recognize the value placed upon the continual training and specialized dementia education we provide all of our staff members. We are proud of the service we provide and the quality of life we give those suffering from dementia. Our facilities are small and specially designed to meet the needs of someone with memory impairment. Maple View facilities are all stand-alone facilities that are not attached to large assisted living or skilled facilities. To be able to continue to offer this valuable service to those in need that happen to also need financial assistance we need to be able to afford it. Please consider offering us the relief we so desperately need to maintain our service in our communities.

I would like to thank you for your time and consideration of this testimony today on behalf of Senate Bill 2168 and thank you for the opportunity for me to share this with you.

Lana Charvat, Director

Maple View Memory Care Community

Bismarck, ND

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