

**Department of Human Services**

**Budget No. 325**

**House Bill Nos. 1012, 1015, 1050, 1069, 1460, 1465, Senate Bill Nos. 2023, 2028, 2341, 2373, 2395, 2409**

	<b>FTE Positions</b>	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
2005-07 executive budget (bills as introduced)	2,048.43	\$490,373,041	\$1,185,403,771	\$1,675,776,812
<b>2005-07 legislative appropriations</b>	<b><u>2,047.43<sup>1</sup></u></b>	<b><u>484,421,474</u></b>	<b><u>1,195,640,833</u></b>	<b><u>1,680,062,307</u></b>
Legislative increase (decrease) to executive budget	(1.00)	(\$5,951,567)	\$10,237,062	\$4,285,495
Legislative increase (decrease) to 2003-05 appropriations	(3.99) <sup>2</sup>	\$73,339,651	\$97,838,901	\$171,178,552

<sup>1</sup>In addition, Section 42 of House Bill No. 1015 authorizes the department to hire up to 21 additional FTE positions, subject to Emergency Commission and Budget Section approval, for providing certain substance abuse treatment services at the State Hospital, in accordance with provisions of Senate Bill No. 2373.

<sup>2</sup>The number of FTE positions for the 2003-05 biennium has been reduced by 6 FTE positions to reflect the reduction of 3 FTE positions due to departmental adjustments and the reduction and transfer of 3 FTE positions relating to information technology services from the department to the Information Technology Department, pursuant to Section 10 of House Bill No. 1505.

**SUMMARY OF LEGISLATIVE CHANGES TO THE EXECUTIVE BUDGET AND MAJOR FUNDING ITEMS**

**Salaries and Wages**

The legislative action affecting the recommended appropriation for the Department of Human Services is in accordance with legislative salary and fringe benefits guidelines as contained in House Bill No. 1050.

	<b>Major Items FTE Positions</b>	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
<b>Management</b>				
Executive budget recommendation	<u>99.10</u>	<u>\$23,164,639</u>	<u>\$48,374,575</u>	<u>\$71,539,214</u>
The legislative action:				
Added funding for state employee salary increases		28,284	12,735	41,019
Reduced funding recommended in the executive budget for state employee health insurance premiums from \$559.15 to \$553.95 per month per policy		(7,205)	(4,900)	(12,105)
Added funding in House Bill No. 1069 for paying military service retirement credit for employees		7,614		7,614

**Administration Support**

No changes

**Information Technology Division**

Changed the source of one-time funding for the state matching funds of \$3,667,820 from the general fund as recommended in the executive budget to the permanent oil tax trust fund for the Medicaid management information system (MMIS) computer project. In total, \$29,188,859 is provided for the project, \$25,521,039 of which is from federal funds.		(3,667,820)	3,667,820	0
Total legislative adjustments - Management	<u>0.00</u>	<u>(3,639,127)</u>	<u>3,675,655</u>	<u>36,528</u>
<b>Total Management</b>	<u>99.10</u>	<u>19,525,512</u>	<u>52,050,230</u>	<u>71,575,742</u>

**Program and Policy**

Executive budget recommendation	<u>233.30</u>	<u>368,423,517</u>	<u>1,027,728,022</u>	<u>1,396,151,539</u>
The legislative action:				
Added funding for state employee salary increases		28,517	48,677	77,194
Reduced funding recommended in the executive budget for state employee health insurance premiums from \$559.15 to \$553.95 per month per policy		(8,140)	(20,814)	(28,954)
Reduced salaries and wages funding in anticipation of savings from vacant positions and employee turnover		(140,000)		(140,000)
Reduced operating expenses of all programs within the program and policy subdivision		(50,000)		(50,000)
Provided additional general fund support and reduced federal funding to reflect a portion of the estimated additional general fund matching requirements under the Medicaid program resulting from an anticipated reduction in North Dakota's federal medical assistance percentage (FMAP) for federal fiscal year 2007 of .86 percent, from 63.23 percent estimated in the executive budget to the current estimate of 62.37 percent		3,100,000	(3,100,000)	0

**Economic Assistance Policy**

Added funding to calculate Indian county allocation grants at 100 percent of excess costs, rather than 90 percent, in accordance with provisions of Senate Bill No. 2301		311,178		311,178
Removed funding for outreach services of the food stamp program		(25,000)	(25,000)	(50,000)
Provided federal temporary assistance for needy families (TANF) funds for an alternatives-to-abortion services program in Senate Bill No. 2409			500,000	500,000

### Child Support

Reduced federal funding for cooperative agreements with a county or tribe for centralized administration of child support enforcement services. House Bill No. 1172 includes a continuing appropriation of these funds. (822,970) (822,970)

### Medical Services

Removed the pharmacy assistant position added in the executive budget (1.00) (22,135) (66,403) (88,538)

Removed funding for the Global Insight, Inc., contract due to changes in the method of determining inflationary rates for nursing homes as provided for in House Bill No. 1252 (5,920) (5,919) (11,839)

Removed funding for the department to contract for generic prescription drug detailing services (237,775) (237,775) (475,550)

Added funding for operating expenses associated with provisions of House Bill No. 1459 relating to management of the medical assistance program 282,500 282,500 565,000

Reduced medical assistance grants to reflect savings as a result of provisions of House Bill No. 1459 relating to management of the medical assistance program (537,030) (992,970) (1,530,000)

Reduced medical assistance grants to reflect provisions of House Bill No. 1181 which allow a Medicaid recipient to set aside up to \$5,000 for funeral expenses rather than \$3,000 under current law and \$5,500 as recommended by the Governor (91,405) (161,095) (252,500)

Added funding for medical assistance grants to adjust the anticipated funding needed for medical assistance services 1,050,000 1,941,453 2,991,453

Added funding for increasing ambulance services payment rates with 50 percent of the funds to be used for increasing air ambulance rates and 40 percent for ground ambulance rates 60,000 110,940 170,940

Added funding for the children's health insurance program (Healthy Steps) in anticipation of increased caseload resulting from implementation of the Vision eligibility system 428,425 1,607,893 2,036,318

Provided funding for a 2.65 percent inflationary increase for each year of the biennium rather than 2 percent as recommended in the executive budget. The state matching funds of \$846,712 are from the health care trust fund. 3,049,436 3,049,436

Provided funding in House Bill No. 1460 for obtaining actuarial services for the medical assistance program 50,000 50,000 100,000

Provided funding in House Bill No. 1465 for developing a Medicaid and Medicare prescription drug management program	50,000		50,000
Provided funding in Senate Bill No. 2395 for providing Russell-Silver Syndrome treatment services	150,000		150,000
<b>Long-Term Care Services</b>			
Reduced funding for nursing facilities to reflect a reduction in the estimated average number of nursing facility beds needed for Medicaid recipients from 3,631 to 3,600	(1,025,765)	(1,893,498)	(2,919,263)
Reduced funding for nursing facilities to reflect provisions of House Bill No. 1252 which base nursing home payment rates on the inflationary rates as determined by the Legislative Assembly. The inflationary rates being used for nursing home rates for the 2005-07 biennium are 2.65 percent for each year of the biennium. Under previous statutory provisions, the inflationary increases for nursing homes would have been 3.52 percent for the first year and 3.92 percent for the second year of the biennium. Of the other funds shown, \$736,598 is state matching funds provided from the health care trust fund.	(1,755,456)	(1,089,764)	(2,845,220)
Increased funding for basic care facilities to reflect provisions of House Bill No. 1252 which base basic care payment rates on the inflationary rates as determined by the Legislative Assembly. The inflationary rates being used for basic care rates for the 2005-07 biennium are 2.65 percent for each year of the biennium. Under previous administrative policies, the inflationary increases for basic care facilities would have been 1.5 percent for each year of the biennium. Of the other funds shown, \$158,095 is from the health care trust fund.	162,051	327,198	489,249
Changed funding for home and community-based services to reflect the department's reprojections of the anticipated funding needed for these services for the 2005-07 biennium	(1,987,684)	5,724	(1,981,960)
Added funding to increase the maximum amount of homemaker services an individual may receive from qualified service providers (QSPs) under the service payment for elderly and disabled (SPED) and expanded SPED programs from \$135 to \$185 per month	217,260	9,540	226,800
Added funding for a 2.65 percent inflationary increase for home and community-based services for each year of the biennium rather than 2 percent as recommended in the executive budget. Of the other funds shown, \$269,780 is from the health care trust fund.		486,038	486,038

**Aging Services**

Removed funding for the senior citizen mill levy matching grant program to reflect provisions of Senate Bill No. 2267 which provide a continuing appropriation to the State Treasurer for providing these grants (1,662,945) (1,662,945)

**Children and Family Services**

Reduced federal funding for family preservation services to the level anticipated to be available for the 2005-07 biennium. The department may seek Emergency Commission approval if additional federal funds become available for these services. (750,000) (750,000)

Changed the source of funding for children and family services programs from the general fund to federal temporary assistance for needy families (TANF) funds (1,074,471) 1,074,471 0

Added funding for increasing the maximum treatment services payment for residential child care facilities by \$3.50 per day, from \$11.50 to \$15 per day 71,630 404,314 475,944

Added funding to provide for a 2.65 percent inflationary increase for each year of the biennium rather than 2 percent as recommended in the executive budget. Of the other funds shown, \$213,407 is state matching funds provided from the health care trust fund. 567,486 567,486

Reduced funding anticipated to be needed for foster care and subsidized adoption services (150,000) (159,206) (309,206)

**Mental Health and Substance Abuse Services**

Removed funding from the general fund for compulsive gambling treatment services and appropriated \$400,000 from the compulsive gambling treatment fund for these services. North Dakota Century Code Section 50-06-22 provides a continuing appropriation to the Department of Human Services of the money in the compulsive gambling treatment fund for these services. (150,000) 400,000 250,000

Reduced funding for operating expenses of this program (50,000) (50,000)

Provided funding in Senate Bill No. 2373 for costs associated with establishing a pilot program at the State Hospital or at a private treatment facility for the treatment of individuals who are chemically dependent on methamphetamine or other controlled substances 500,000 800,000 1,300,000

**Developmental Disabilities Council**

No changes

**Disabilities Services**

Added funding for increasing payment rates for facilities serving children with extensive medical needs, including the Anne Carlsen Center	200,000	369,800	569,800
Reduced funding from the general fund for supported living/extended services by \$100,000, from \$300,000 recommended in the executive budget to \$200,000. This is the same level of general fund support provided in the 2003-05 biennium.	(100,000)		(100,000)
Added funding for costs relating to transferring appropriate individuals from the Developmental Center to community placements. The department may use up to \$5,000 of this funding for developing the plan for these transfers.	50,000		50,000
Added funding for increasing the average wage of employees of developmental disabilities service providers by 15 cents per hour for the first year of the biennium and by an additional 20 cents per hour for the second year. Of the other funds shown, \$198,148 is state matching funds provided from the health care trust fund.	1,277,262	2,879,237	4,156,499
Added funding to provide for a 2.65 percent inflationary increase for each year of the biennium rather than 2 percent as recommended in the executive budget. Of the other funds shown, \$900,217 is state matching funds provided from the health care trust fund.		2,163,480	2,163,480
Reduced funding anticipated to be needed for developmental disabilities grants	(500,000)	(924,501)	(1,424,501)
Provided funding in Senate Bill No. 2028 for contracting with an organization to coordinate a system for the provision of guardianship services to vulnerable adults who are ineligible for developmental disabilities case management services	40,000		40,000
Total legislative adjustments - Program and Policy	<u>(1.00)</u>	<u>(1,544,903)</u>	<u>6,828,272</u>
<b>Total Program and Policy</b>	<u>232.30</u>	<u>366,878,614</u>	<u>1,034,556,294</u>
<b>State Hospital</b>			
Executive budget recommendation	<u>424.01</u>	<u>32,117,667</u>	<u>15,825,871</u>
The legislative action:			
Added funding for state employee salary increases	156,312	36,017	192,329

Reduced funding recommended in the executive budget for state employee health insurance premiums from \$559.15 to \$553.95 per month per policy		(35,810)	(18,104)	(53,914)
Replaced funding from the general fund with special funds in anticipation of general fund savings and additional third-party collections		(100,000)	100,000	0
Changed funding for capital improvements by removing funding from bond proceeds recommended in the executive budget in Senate Bill No. 2023 for replacing an electrical transformer (\$40,000) and repairing a roof (\$65,000) and providing \$110,000 from the general fund in House Bill No. 1012 rather than bond proceeds in Senate Bill No. 2023 as recommended in the executive budget for repairing and painting the State Hospital water tower		110,000	(215,000)	(105,000)
Total legislative adjustments - State Hospital	<u>0.00</u>	<u>130,502</u>	<u>(97,087)</u>	<u>33,415</u>
<b>Total State Hospital</b>	<u><u>424.01</u></u>	<u><u>32,248,169</u></u>	<u><u>15,728,784</u></u>	<u><u>47,976,953</u></u>
<b>Developmental Center</b>				
Executive budget recommendation	<u>451.54</u>	<u>11,696,425</u>	<u>31,589,952</u>	<u>43,286,377</u>
The legislative action:				
Added funding for state employee salary increases		51,519	65,713	117,232
Reduced funding recommended in the executive budget for state employee health insurance premiums from \$559.15 to \$553.95 per month per policy		(15,520)	(44,383)	(59,903)
Reduced funding for operating costs of the Developmental Center		(250,000)	(462,251)	(712,251)
Removed funding from bond proceeds recommended in the executive budget in Senate Bill No. 2023 for roof repairs on the Cedar Grove building (\$135,000) and for pool filtration repairs and roof repairs on the Collette Gym building (\$105,000) at the Developmental Center			(240,000)	(240,000)
Provided federal funding in Senate Bill No. 2341 for a mandatory drug treatment pilot project			448,471	448,471
Total legislative adjustments - Developmental Center	<u>0.00</u>	<u>(214,001)</u>	<u>(232,450)</u>	<u>(446,451)</u>
<b>Total Developmental Center</b>	<u><u>451.54</u></u>	<u><u>11,482,424</u></u>	<u><u>31,357,502</u></u>	<u><u>42,839,926</u></u>

**Northwest Human Service Center**

Executive budget recommendation	<u>50.00</u>	<u>3,688,546</u>	<u>3,691,210</u>	<u>7,379,756</u>
The legislative action:				
Added funding for state employee salary increases		14,880	6,831	21,711
Reduced funding recommended in the executive budget for state employee health insurance premiums from \$559.15 to \$553.95 per month per policy		(3,080)	(3,160)	(6,240)
Reduced salaries and wages funding in anticipation of savings from vacant positions and employee turnover		(20,000)		(20,000)
Reduced funding for operating costs of the center		<u>(20,619)</u>		<u>(20,619)</u>
Total legislative adjustments - Northwest Human Service Center	<u>0.00</u>	<u>(28,819)</u>	<u>3,671</u>	<u>(25,148)</u>
<b>Total Northwest Human Service Center</b>	<b><u>50.00</u></b>	<b><u>3,659,727</u></b>	<b><u>3,694,881</u></b>	<b><u>7,354,608</u></b>

**North Central Human Service Center**

Executive budget recommendation	<u>113.78</u>	<u>8,163,022</u>	<u>7,270,196</u>	<u>15,433,218</u>
The legislative action:				
Added funding for state employee salary increases		34,328	13,438	47,766
Reduced funding recommended in the executive budget for state employee health insurance premiums from \$559.15 to \$553.95 per month per policy		(7,976)	(7,000)	(14,976)
Reduced salaries and wages funding in anticipation of savings from vacant positions and employee turnover		(57,120)		(57,120)
Reduced funding for operating costs of the center		<u>(53,566)</u>		<u>(53,566)</u>
Total legislative adjustments - North Central Human Service Center	<u>0.00</u>	<u>(84,334)</u>	<u>6,438</u>	<u>(77,896)</u>
<b>Total North Central Human Service Center</b>	<b><u>113.78</u></b>	<b><u>8,078,688</u></b>	<b><u>7,276,634</u></b>	<b><u>15,355,322</u></b>

**Lake Region Human Service Center**

Executive budget recommendation	<u>62.00</u>	<u>4,974,499</u>	<u>4,221,881</u>	<u>9,196,380</u>
The legislative action:				
Added funding for state employee salary increases		19,245	8,291	27,536
Reduced funding recommended in the executive budget for state		(3,940)	(3,798)	(7,738)

employee health insurance premiums from \$559.15 to \$553.95 per month per policy

Reduced salaries and wages funding in anticipation of savings from vacant positions and employee turnover		(38,052)		(38,052)
Reduced funding for operating costs of the center		(31,169)		(31,169)
Total legislative adjustments - Lake Region Human Service Center	0.00	(53,916)	4,493	(49,423)
<b>Total Lake Region Human Service Center</b>	<b>62.00</b>	<b>4,920,583</b>	<b>4,226,374</b>	<b>9,146,957</b>

**Northeast Human Service Center**

Executive budget recommendation	141.90	8,484,532	12,211,610	20,696,142
The legislative action:				
Added funding for state employee salary increases		30,280	22,197	52,477
Reduced funding recommended in the executive budget for state employee health insurance premiums from \$559.15 to \$553.95 per month per policy		(7,090)	(11,630)	(18,720)
Reduced salaries and wages funding in anticipation of savings from vacant positions and employee turnover		(97,692)		(97,692)
Reduced funding for operating costs of the center		(52,629)		(52,629)
Total legislative adjustments - Northeast Human Service Center	0.00	(127,131)	10,567	(116,564)
<b>Total Northeast Human Service Center</b>	<b>141.90</b>	<b>8,357,401</b>	<b>12,222,177</b>	<b>20,579,578</b>

**Southeast Human Service Center**

Executive budget recommendation	183.60	10,148,529	13,673,717	23,822,246
The legislative action:				
Added funding for state employee salary increases		46,747	29,797	76,544
Reduced funding recommended in the executive budget for state employee health insurance premiums from \$559.15 to \$553.95 per month per policy		(9,260)	(13,204)	(22,464)
Reduced salaries and wages funding in anticipation of savings from vacant positions and employee turnover		(137,046)		(137,046)
Reduced funding for operating costs of the center		(87,554)		(87,554)
Total legislative adjustments - Southeast Human Service Center	0.00	(187,113)	16,593	(170,520)
<b>Total Southeast Human Service Center</b>	<b>183.60</b>	<b>9,961,416</b>	<b>13,690,310</b>	<b>23,651,726</b>

**South Central Human Service Center**

Executive budget recommendation	<u>88.00</u>	<u>5,916,635</u>	<u>6,322,357</u>	<u>12,238,992</u>
The legislative action:				
Added funding for state employee salary increases		23,478	12,795	36,273
Reduced funding recommended in the executive budget for state employee health insurance premiums from \$559.15 to \$553.95 per month per policy		(4,890)	(5,968)	(10,858)
Reduced salaries and wages funding in anticipation of savings from vacant positions and employee turnover		(20,000)		(20,000)
Reduced funding for operating costs of the center		<u>(46,123)</u>		<u>(46,123)</u>
Total legislative adjustments - South Central Human Service Center	<u>0.00</u>	<u>(47,535)</u>	<u>6,827</u>	<u>(40,708)</u>
<b>Total South Central Human Service Center</b>	<b><u>88.00</u></b>	<b><u>5,869,100</u></b>	<b><u>6,329,184</u></b>	<b><u>12,198,284</u></b>

**West Central Human Service Center**

Executive budget recommendation	<u>124.50</u>	<u>9,025,416</u>	<u>9,675,203</u>	<u>18,700,619</u>
The legislative action:				
Added funding for state employee salary increases		35,646	17,260	52,906
Reduced funding recommended in the executive budget for state employee health insurance premiums from \$559.15 to \$553.95 per month per policy		(7,545)	(8,180)	(15,725)
Reduced salaries and wages funding in anticipation of savings from vacant positions and employee turnover		(69,804)		(69,804)
Reduced funding for operating costs of the center		<u>(75,891)</u>		<u>(75,891)</u>
Total legislative adjustments - West Central Human Service Center	<u>0.00</u>	<u>(117,594)</u>	<u>9,080</u>	<u>(108,514)</u>
<b>Total West Central Human Service Center</b>	<b><u>124.50</u></b>	<b><u>8,907,822</u></b>	<b><u>9,684,283</u></b>	<b><u>18,592,105</u></b>

**Badlands Human Service Center**

Executive budget recommendation	<u>76.70</u>	<u>4,569,614</u>	<u>4,819,177</u>	<u>9,388,791</u>
The legislative action:				
Added funding for state employee salary increases		19,619	10,257	29,876

Reduced funding recommended in the executive budget for state employee health insurance premiums from \$559.15 to \$553.95 per month per policy		(4,480)	(5,254)	(9,734)
Reduced salaries and wages funding in anticipation of savings from vacant positions and employee turnover		(20,286)		(20,286)
Reduced funding for operating costs of the center		(32,449)		(32,449)
Total legislative adjustments - Badlands Human Service Center	0.00	(37,596)	5,003	(32,593)
<b>Total Badlands Human Service Center</b>	<b>76.70</b>	<b>4,532,018</b>	<b>4,824,180</b>	<b>9,356,198</b>
<b>Total Department of Human Services</b>				
Executive budget recommendation	2,048.43	\$490,373,041	\$1,185,403,771	\$1,675,776,812
Total legislative changes	(1.00)	(\$5,951,567)	\$10,237,062	\$4,285,495
<b>Legislative appropriations</b>	<b>2,047.43<sup>1</sup></b>	<b>\$484,421,474</b>	<b>\$1,195,640,833</b>	<b>\$1,680,062,307</b>

<sup>1</sup>In addition, Section 42 of House Bill No. 1015 authorizes the department to hire up to 21 additional FTE positions, subject to Emergency Commission and Budget Section approval, for providing certain substance abuse treatment services at the State Hospital, in accordance with provisions of Senate Bill No. 2373.

#### FTE Changes

The Legislative Assembly removed 1 FTE pharmacy assistant position added in the executive budget but did not change the following FTE adjustments recommended in the executive budget:

- In the **Management** subdivision, removed 3 FTE research positions, 2 FTE fiscal positions, a .7 FTE human resource position, and 2 FTE legal positions.
- In the **Program and Policy** subdivision, added 1 FTE Healthy Steps eligibility position in medical services and removed 1.5 FTE aging services positions, 1 FTE mental health services position, and 2 FTE disabilities services positions.
- At the State Hospital, added 29.85 FTE positions for secure services and removed 20.74 FTE traditional services positions.
- At the Developmental Center, removed 4 FTE direct training technicians, 1 FTE social worker, a .5 FTE speech pathologist, and 1 FTE vocational training technician.
- At the human service centers, removed 1 FTE human service center director position at the North Central Human Service Center, added 3 FTE community home counselors and 1 FTE activity therapist at the Northeast Human Service Center, added a .4 FTE case manager, a .4 and a .6 FTE addiction counselor, and 1 FTE activity therapist at the Southeast Human Service Center, added a .5 FTE child care licensing position at the West Central Human Service Center, and removed a .8 FTE vocational rehabilitation supervisor and a .5 FTE child care licensing position at the Badlands Human Service Center.

#### Other Sections in Bill

Section 4 allows the department, subject to Emergency Commission and Budget Section approval, to hire **additional FTE** positions for Medicaid program eligibility and payment reviews if it is more cost-effective to hire the additional positions than to contract for these services or if no acceptable contract proposal is received.

Section 5 precludes the department from spending the \$1,230,000, of which \$615,000 is from the general fund and \$615,000 is from federal funds provided for **payment error rate measurement eligibility reviews** for the medical assistance program if the federal government does not require the department to conduct these reviews.

Section 6 authorizes the department to **transfer appropriation authority** between line items within each subdivision of the department and between subdivisions of the department. The department is to report to the Budget Section after June 20, 2006, on any transfers made in excess of \$50,000 and to the Appropriations Committees of the 2005 Legislative Assembly regarding any transfers made.

Section 7 identifies \$254,356 of the department's other funds appropriation as being from the **community health trust fund**.

Section 8 identifies \$3,667,820 of the department's other funds appropriation as being from the **permanent oil tax trust fund**.

Section 9 provides for a \$100,000 transfer from the **compulsive gambling prevention and treatment fund** to the general fund on July 1, 2005.

Section 10 allows the department to spend up to \$30,000 of the operating expenses line item in the Program and Policy subdivision for paying **petitioning costs** for indigent individuals with developmental disabilities who have been referred for corporate guardianship.

Section 11 requires the department to determine the effect of **anticipated FMAP changes** on the department's budget and programs and to report to the Legislative Council on the extent to which the department can provide for any additional general fund requirements related to FMAP changes within the department's budget and to identify programs to reduce or discontinue if the effect cannot be provided for within the department's budget.

Sections 12, 14, and 15 provide for **Legislative Council studies** of:

- The department's system of paying qualified service providers.
- Long-term care services.
- The services provided by residential treatment centers and residential child care facilities and the appropriateness of the payments provided by the state for these services.

Section 16 requires the department to develop a plan to **transfer appropriate individuals from the Developmental Center** to community placements and to begin the transition during the 2005-07 biennium. The section also requires the department to report to the Legislative Council on its plan.

Section 17 requires the department and the Indian Affairs Commission to collaborate to improve the **coordination of tribal and state court activities** relating to child support enforcement.

Section 18 provides that the department may consider additional costs incurred by intermediate care facilities for the mentally retarded (ICF/MRs) serving **medically fragile clients** under 21 years of age.

Section 19 changes the definition of **specialized telecommunications equipment**.

#### **Related Legislation**

House Bill No. 1148 continues the requirement that the department provide **personal care services** to eligible Medicaid recipients residing in their own homes. The provision would have expired on June 30, 2005. A provision was added requiring the department to seek a federal waiver to permit the elderly and disabled to direct their own care and to allow personal care services to be provided by non-licensed providers.

House Bill No. 1181 increases the **funeral set-aside** for Medicaid recipients from \$3,000 to \$5,000 and directs the department to seek a federal waiver to disregard funeral funds of a Medicaid recipient in any amount provided the funds were set aside prior to April 2004.

House Bill No. 1204 removes statutory provisions relating to the **intergovernmental transfer program** and authorizes the department to continue to access the program if permitted by the federal government and if beneficial to the state.

House Bill No. 1217 requires the department to **disregard assets** when considering Medicaid eligibility for an individual owning a long-term care insurance policy, if the provision is approved by the federal government.

House Bill No. 1252 changes the method of determining the **inflationary rate** used for determining **nursing home payments** and payment limits from a formula involving indices relating to consumer prices and nursing home input prices to rates as determined by the Legislative Assembly. The bill included provisions that the department provide for rebasing nursing home rates every four years. The bill also provides that **basic care payment rates** be increased by inflationary factors as determined by the Legislative Assembly.

House Bill No. 1459 provides that the department develop a system for **managing the health care needs** of medical assistance recipients.

Senate Bill No. 2267 removes the **senior citizen mill levy matching grant program** from the department and provides a continuing appropriation to the State Treasurer for providing senior citizen mill levy matching grants to counties equal to two-thirds of the first mill levied by the county for senior citizen programs. Funding for the grants is provided by allocating each year an amount equivalent to two-thirds of one mill levied statewide from sales and use tax and motor vehicle excise tax collections to the senior citizens and programs fund.

Senate Bill No. 2301 allows the department to provide for cooperatively or centrally-administered **child support enforcement** activities. The bill also amended North Dakota Century Code Section 50-01.2-03.2 to increase the Indian county allocation grant formula to 100 percent of excess costs, rather than 90 percent.

Senate Bill No. 2342 provides that the department determine **payment rates for developmental disabilities service providers** by using the inflationary rates used by the Legislative Assembly in determining the biennial appropriation for the department.