

MAY 13 2011



**Legal Advisory Unit**

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Jack Dalrymple, Governor  
Carol K. Olson, Executive Director

May 12, 2011

Mr. John Walstad, Code Revisor  
North Dakota Legislative Council  
State Capitol  
Bismarck, ND 58505

RE: Proposed Amendments to N.D. Admin. Code Chapter 75-02-07.1  
Ratesetting for Basic Care

Dear Mr. Walstad:

Enclosed for filing in the office of the Legislative Council is the Notice of Intent to Amend Administrative Rules concerning the above proposed rules as required by N.D.C.C. section 28-32-10. Also enclosed is a copy of the proposed rules.

We have requested publication of an abbreviated newspaper publication notice once in each official county newspaper which will notify the public that an oral hearing on these rules will be held on Thursday, June 16, 2011, beginning at 2:30 p.m. and continuing until 4:00 p.m. or until no further testimony is offered, whichever occurs first.

If you have any questions or concerns, please contact me at 328-2311. Thank you.

Sincerely,

A handwritten signature in blue ink that reads "Julie Leer".

Julie Leer  
Legal Advisory Unit

JL/kh

Cc: LeeAnn Thiel, Medical Services

Enclosures

Jack Dalrymple, Governor  
Carol K. Olson, Executive Director

NOTICE OF INTENT TO AMEND  
ADMINISTRATIVE RULES RELATING TO  
N.D.A.C. CHAPTER 75-02-07.1  
RATESETTING FOR BASIC CARE

TAKE NOTICE that the North Dakota Department of Human Services will hold a public hearing to address proposed amendments to N.D. Admin. Code chapters 75-02-07.1 at 2:30 p.m. on Thursday, June 16, 2011, in Bismarck, N.D. in the AV Room – Room 210, located on the second floor of the Judicial Wing of the State Capitol.

The proposed amendments to N.D. Admin. Code chapters 75-02-07.1, Ratesetting for Basic Care, are necessary to clean up so that administrative code mirrors the calculation used to apply funding sources to payment for personal care and room and board which are supported by the Medicaid State Plan.

The proposed changes are as follows:

**75-02-07.1-01** is amended to revise the definition of “adjustment factor”, “depreciation guidelines”, “facility”, “in-house resident day”, “institution for mental disease”, “limit rate”, “personal care rate”, “resident day”, “room and board rate”, “routine hair care”, and “specialized facility for individuals with mental disease”, and to delete the definition for “statewide minimum room and board rate.”

**75-02-07.1-02** is amended to allow a cost report to be filed based on a June thirtieth report year.

**75-02-07.1-04** is amended to clarify outdated language.

**75-02-07.1-06** is amended to clarify cost categories included in direct care costs and to clarify existing language.

**75-02-07.1-09** is amended to identify salary cost categories consistent with proposed amendments to 75-02-07.1-06.

**75-02-07.1-14** is amended to increase the maximum salary for top management personnel, to clarify existing language, and to remove the subsection identifying how to calculate the increase in the consumer price index.

**75-02-07.1-15** is identify per bed cost limitations to be used to determine total allowable cost basis of buildings and fixed equipment for certain facilities.

**75-02-07.1-20** is amended to identify rates used to establish the facility's room and board rate and to remove the provision relative to the impact of the statewide room and board rate on the actual room and board rate and the personal care rate.

**75-02-07.1-21** is amended to identify that the adjustment factor will be used to adjust certain costs and how costs reported for a period other than twelve months will be adjusted.

**75-02-07.1-22** is amended to remove all but the first subsection relative to rate limitations.

**75-02-07.1-24** is amended to clarify existing language in subsection 2.

**75-02-07.1-25** is amended to clarify deadlines for filing cost reports.

**75-02-07.1-26** is amended to require the department to increase rates as established within this chapter or as approved by the legislative assembly.

The proposed amendments are not anticipated to have an impact on the regulated community in excess of \$50,000. No taking of real property is involved in this rulemaking action.

Copies of the proposed rules are available for review at county social services offices and at human service centers. Copies of the proposed rules and the regulatory analysis relating to these rules may be requested by telephoning (701) 328-2311. Written or oral data, views, or arguments may be entered at the hearing or sent to: Rules Administrator, North Dakota Department of Human Services, State Capitol - Judicial Wing, 600 E. Boulevard Ave., Dept. 325, Bismarck, ND 58505-0250. Written data, views, or arguments on the proposed rules must be received no later than 5:00 p.m. on Monday, June 27, 2011.

**ATTENTION PERSONS WITH DISABILITIES:** If you plan to attend the hearing and will need special facilities or assistance relating to a disability, please contact the Department of Human Services at the above telephone number or address at least two weeks prior to the hearing.

Dated this 12<sup>th</sup> day of May, 2011.