

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION
SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2001 HOUSE HUMAN SERVICES

HB 1111

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1111

House Human Services Committee

☐ Conference Committee

Hearing Date January 16, 2001

Tape Number	Side A	Side B	Meter #
Tape 2	X		Tape did not work
Committee Clerk Signature <i>Connie Easton</i>			

Minutes:

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

Chairman Price: Open hearing on HB 1111.

David Zentner: Director of Medical Services for the Department of Human Services. (See written testimony.) The Department of Health and Department of Human Services were directed to prepare a recommendation to this legislative session describing the conversion of current basic care and assisted living services into an integrated long-term care housing and service system entitled "Assisted Living". After much discussion, the Task Force concluded that combining these types of providers into one licensing process was not in the best interest of the providers or their residents. The sufficient differences existed between the environment and service delivery components of the two categories of facilities that would make combining the two very difficult.

The Task Force concluded that combining the two categories of facilities into one licensing process should not be implemented. The Task Force recommended the implementation of a registration process for assisted living facilities. The department does not support this bill. We believe that HB 1109 will permit reasonable regulation of assisted living facilities at minimal cost. For this reason we recommend a DO NOT PASS.

Rep. Porter: What are the total number of bed in the state under the moratorium? Can we go higher than what is there now?

David Zentner: No, we couldn't increase.

Shelly Peterson: President of the North Dakota Long Term Care Association. (See written Testimony.) We are in opposition of HB 1111 and urge the committee DO NOT PASS.

Members of the work group that participated actively in SB 2036 felt there was sufficient differences between the two services, that combining assisted living and basic care would not result in a better product or system of care. HB 1111 requires all assisted living care facilities to meet the current licensure process of basic care. The work group and members of our Association feel applying basic care licensing to assisted living facilities would be burdensome, restrictive, and cost prohibitive.

Chairman Price: Close hearing on HB 1111.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1111 A

House Human Services Committee

☐ Conference Committee

Hearing Date January 17, 2001

Tape Number	Side A	Side B	Meter #
Tape 3	X		0 to 390
Committee Clerk Signature <i>Corinne Easton</i>			

Minutes:

COMMITTEE WORK:

Chairman Price: Let's look at HB 1111.

Vice Chairman Deylin: Common sense defies any reason in the world why we would want to support it. We just have to kill it and move on to HB 1109. This came out of the requirement in the last session. In one of the meetings former Senator DeMers and myself insisted the bill be brought forward because that is what the legislation required. The department at that stage of the game would have just as soon dropped it because it wasn't going anywhere. They followed what the law said. **I would move for a DO NOT PASS.**

Rep. Tieman: I second.

Chairman Price: Committee discussion. The clerk will read the roll.

13 YES 0 NO 1 ABSENT CARRIED BY REP. DOSCH

FISCAL NOTE
Requested by Legislative Council
12/21/2000

Bill/Resolution No.: HB 1111

Amendment to:

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

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$339,910	\$0	\$452,986
Expenditures	\$0	\$0	\$170,600	\$339,910	\$0	\$452,986
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0

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

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

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

The Health Department would annually license all basic care facilities. Onsite compliance surveys for program and life safety code requirements will be conducted for 50% of the licensed facilities each year. A growth from the current 43 facilities to 113 licensed facilities is anticipated by July 2002. The Department would require additional staff to license and survey these facilities. The addition of 4 FTE and associated operating costs will be required to complete the licensing and survey of the facilities.

All assisted living facilities would have to register annually with the State Department of Human Services.

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

The other revenues generated would be as a result of the licensing fee for basic care facilities and the registration fees for the assisted living facilities. The collection of licensing fee would begin January 1, 2002 and estimated collections for the Health Department will be \$320,190 and \$19,720 for the State Department of Human Services for the 2001-03 biennium. Fees will increase in the 03-05 biennium to offset general funds used in the 01-03 biennium.

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

The expenditures include \$490,170 for 4 FTES and associated operating costs for the Health Department. The FTEs would be performing licensing and survey activity for basic care facilities. For the 01-03 biennium, start up costs for the first six months of the biennium of \$170,600 for the basic care licensing process will be funded with general funds. If the licensing of basic care facilities is fully implemented on January 1, 2002, it is estimated that there would be sufficient revenue available to make the licensing program self-funding and no general funds would be required to continue the program in future bienniums.

The remaining \$19,720 of expenditures would be for a registration system for the assisted living facilities, operated by the State Department of Human Services. Current staff would be able to handle the additional tasks required by the registration process and no new FTES would be required. Expenditures would include costs of paper and printing of forms and the processing of those forms. If the fees for registration were not deposited in the department of human services operating fund, general funds of \$19,720 would be required to operate the registration system.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

This bill does not include an appropriation, and the revenue and expenses are not included in the Health Department's appropriation bill, SB2004 so additional authority and 4 FTE for salary and operating expense will need to be added to the Health Department budget if it is implemented.

\$19,720 of other fund appropriation would be required for the State Department of Human Services. This would be for the operation of the assisted living registration process.

Name:	Robert A. Barnett	Agency:	Health Department
Phone Number:	328-2392	Date Prepared:	01/12/2001

Date: 1-17-01
Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1111

House Human Services Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Not Pass

Motion Made By Rep. Devlin Seconded By Rep. Tieman

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

Total (Yes) 13 No _____

Absent one

Floor Assignment Rep. Dosch

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

REPORT OF STANDING COMMITTEE (410)
January 17, 2001 3:19 p.m.

Module No: HR-07-1145
Carrier: Dosch
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1111: Human Services Committee (Rep. Price, Chairman) recommends DO NOT PASS (13 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1111 was placed on the Eleventh order on the calendar.

2001 TESTIMONY

HB 1111.

TESTIMONY BEFORE THE HOUSE HUMAN SERVICES COMMITTEE
REGARDING HOUSE BILL 1111
JANUARY 16, 2001

Chairman Price, members of the committee, I am David Zentner, Director of Medical Services for the Department of Human Services. I appear before you today to provide information about this bill.

The 1999 Legislative Assembly directed the Department of Health and the Department of Human Services to prepare a recommendation to the fifty-seventh Legislative session describing the conversion of current basic care and assisted living services into an integrated long-term care housing and service system entitled assisted living. The proposal to combine the two facility types originated with the Task Force on Long Term Care Planning. The Task Force at that time believed that there were enough similarities between the housing and payment processes for these two types of facilities to justify combining them into a single licensing process. Currently, basic care facilities are required to be licensed by the Health Department and assisted living facilities are unregulated.

As noted in my previous testimony on House Bill 1109, the job of implementing Senate Bill 2036 was given to the Task Force on Long Term Care Planning. After much discussion, the Task Force concluded that combining these types of providers into one licensing process was not in the best interests of the providers or their residents. The Task Force concluded that sufficient differences existed between the environment and service delivery components of the two categories of facilities that would make combining the two very difficult. Basic care is more institutional like where residents tend to receive the same type of care. Assisted living is provided in more of an apartment like setting and is individualized based on the needs and choices of the resident. For the above reasons, the Task Force concluded that combining the two categories of facilities into one licensing process should not be implemented. The Task Force

recommended the implementation of a registration process for assisted living facilities as proposed in House Bill 1109.

Section 1 of the bill would define assisted living as including facilities currently licensed as basic care and those facilities currently defined as assisted living facilities. Sections 2 through 13 for the most part remove references to basic care and replace it with assisted living. Section 4 also establishes a licensing fee process for the cost of conducting licensing review activities by the Department of Health.

Section 14 permits the Department to establish the monthly amount of the basic care personal needs allowance that is currently prescribed in law at \$45 per month.

Section 15 would repeal language concerning the right of residents to choose their own pharmacist. This language is consistent with a like section in HB 1109.

Section 16 establishes the implementation date of this bill.

In the event this bill is approved, the Department offers one housekeeping amendment. Section 16, line 2, the House Bill referenced should read 1109 rather than 1009.

The Department does not support this bill. We believe that House Bill 1109 will permit reasonable regulation of assisted living facilities at minimal cost. For this reason we recommend a do not pass.

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

Prepared by the North Dakota
Department of Human Services
1/9/01

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1111

Page 5, line 2, replace "1009" with "1109"

Renumber accordingly

Testimony on HB 1111
House Human Services Committee
January 16, 2001

Chairman Price and members of the House Human Services Committee, thank you for the opportunity to testify on HB 1111. My name is Shelly Peterson, President of the North Dakota Long Term Care Association. I am here representing our members, providers of nursing care, basic care, and assisted living services.

We are in opposition to HB 1111 and urge the committee DO NOT PASS.

As you are aware, assisted living, basic care and nursing facilities participated very actively in the SB 2036 workgroup. Members of the workgroup felt there were sufficient differences between the two services, that combining assisted living and basic care would not result in a better product or system of care. HB 1111 requires all assisted living facilities to meet the current licensure process of basic care. The workgroup and members of our Association feel applying basic care licensing to assisted living facilities would be burdensome, restrictive, and cost prohibitive.

Thank you for considering our comments and concerns. Should you have any questions I would be happy to answer them at this time.

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