

# MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

1117

2001 HOUSE HUMAN SERVICES  
HB 1117

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1117

House Human Services Committee

Conference Committee

Hearing Date January 15, 2001

Tape Number	Side A	Side B	Meter #
Tape 3	X	(Tape didn't work)	
Committee Clerk Signature <i>Corinne Easton</i>			

Minutes:

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

Chairman Price: Opened hearing on HB 1117.

David Zentner: Director of Medical Services for the Department of Human Services. The task force interim committee recommended to add an optional Targeted Case Management Service to the Medicaid State Plan for Medicaid eligible recipients who are elderly or persons with physical disabilities at risk of long long-term care services including but not limited to Service Payments to Elderly and Disabled (SPED) and Expanded SPED eligible recipients. Section one of the bill authorizes the department to establish the targeted case management service. Section two sets forth the powers and duties of the department in establishing the service. The purpose of Targeted Case Management Services is to ensure that clients are aware of available services so

that they and their families can make informed decisions regarding where they wish to obtain needed services.

Chairman Price: When will it be targeted.

David Zentner: The department will have to develop guidelines as to what precisely is at risk.

Chairman Price: So there will be an application for one of those three.

David Zentner: It could be provided up front before they access.

Chairman Price: Because of the situation they may feel some pressure.

David Zentner: Up to individual if they want to access targeted case management. They would have a choice.

Chairman Price: So there will be some type of form.

David Zentner: We will let people know what services are available.

Chairman Price: I would be more comfortable if you had a form so it is clear what their options are.

David Zentner: Case managers would work with individual to make sure they know what is available.

Rep. Niemeier: Who would be those entities that offer services for case management?

David Zentner: Could be providers.

Rep. Niemeier: Would you contract with those entities to provide services?

David Zentner: We would establish criteria for providers to enroll in program.

Rep. Sandvig: Is there any effort to outreach to communities letting them know these services are available?

David Zentner: We do try to make information available. Case managers will have knowledge of what's available in a particular community.

Muriel Peterson: Program Administrator, Aging Services Division, Department of Human Services. How this works is that the person making application to state their needs - the case manager does home study and determines what services they need. Funding sources are looked at. There is always an assessment to determine an individuals needs.

Chairman Price: My biggest concern is for the individual's rights. Where can they say yes or no, or that they want or don't want specific services.

Muriel Peterson: They would sign mutual agreement between client and case management. Every step of the way is a joint decision. Referral doesn't mean that people are limited to choices.

Rep. Niemeier: If person is considered legally incompetent, how is this handled?

Muriel Peterson: They have to be declared legally incompetent. If client is represented, all papers in that regard must be attached.

Chairman Price: Closed hearing on HB 1117.

#### **COMMITTEE WORK:**

Rep. Dosch: Explain fiscal note as far as additional cost of the program would be.

Chairman Price: Currently all done in state dollars.

Rep. Galvin: I move a DO PASS.

Rep. Cleary: Second

Rep. Niemeier: I'm not sure using private entities would improve the situation.

Chairman Price: This would tap the federal funds and reduce general funds.

Rep. Pollert: Are we adding more services and adding less dollars because the feds are kicking in?

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House Human Services Committee  
Bill/Resolution Number HB 1117  
Hearing Date January 15, 2001

Chairman Price: Adding case management to two new groups of people - SPED with expanded  
and SPED with state dollars

**DO PASS 13 YES 1 NO 0 ABSENT CARRIED BY REP. PORTER**

**FISCAL NOTE**  
 Requested by Legislative Council  
 02/09/2001

Bill/Resolution No.:

Amendment to: HB 1117

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
<b>Revenues</b>				\$769,220		
<b>Expenditures</b>			(\$429,220)	\$769,220		
<b>Appropriations</b>			\$16,203	\$307,585		

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
			(\$16,203)					

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

This bill allows the Department of Human Services to add an optional Targeted Case Management service to the Medicaid State Plan for Medicaid eligible recipients who are elderly or persons with physical disabilities at risk of long-term care services including but not limited to Service Payments to Elderly and Disabled (SPED) and Expanded SPED eligible recipients.

The counties currently are required to provide 5% county match on the SPED program, they would realize a decrease in expenditures of \$16,203, as SPED case management services would now be provided in the Medicaid program.

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 cost of providing targeted case management services is a federally allowable expenditure and therefore, federal revenues would be available in the amounts reflected above.

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 cost of a targeted case management service as indicated on pages 27 and 28 of the Long Term Care Task Force Report is estimated to be \$1,107,750 with \$338,530 in general funds. Targeted case

management services would be included in the medicaid grants line item. There will be a subsequent decrease primarily in the SPED/ Expanded SPED programs for the net savings indicated above.

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

The Executive Budget for the Department of Human Services would require an additional \$16,203 in general funds and \$307,585 in other funds to implement a targeted case management program. **Should the bill fail to pass, \$445,432 in general funds would need to be added to the department's budget to maintain the current services in accordance with NDCC.**

The \$445,432 savings noted in the Long Term Care Task Force Report didn't take into consideration the effect of the 5% county match and therefore, the overall savings to the state for implementing targeted case management is \$429,229.

<b>Name:</b>	Brenda M. Weisz	<b>Agency:</b>	Human Services
<b>Phone Number:</b>	328-2397	<b>Date Prepared:</b>	02/12/2001

**FISCAL NOTE**  
 Requested by Legislative Council  
 01/17/2001

**REVISION**

Bill/Resolution No.: HB 1117

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
<b>Revenues</b>	\$0	\$0	\$0	\$769,220		
<b>Expenditures</b>	\$0	\$0	(\$429,229)	\$769,220		
<b>Appropriations</b>	\$0	\$0	\$16,203	\$307,685		

**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	(\$16,203)	\$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.*

This bill allows the Department to add an optional Targeted Case Management Service to the Medicaid State Plan for Medicaid eligible recipients who are elderly or persons with physical disabilities at risk of long-term care services including but not limited to Service Payments to Elderly and Disabled (SPED) and Expanded SPED eligible recipients.

The counties currently are required to provide 5% county match on the SPED program, they would realize a decrease in expenditures of \$16,203, as SPED case management services would now be provided in the Medicaid program.

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The cost of providing targeted case management services is a federally allowable expenditure and therefore federal revenues would be available in the amounts reflected above.

**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.*

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<b>Name:</b>	Brenda M. Weisz	<b>Agency:</b>	Human Services
<b>Phone Number:</b>	328-2397	<b>Date Prepared:</b>	01/12/2001

**FISCAL NOTE**  
 Requested by Legislative Council  
 12/16/2000

Bill/Resolution No.: HB 1117

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
<b>Revenues</b>	\$0	\$0	\$0	\$769,220	\$0	\$799,713
<b>Expenditures</b>	\$0	\$0	\$338,530	\$769,220	\$344,860	\$799,713
<b>Appropriations</b>	\$0	\$0	\$16,203	\$307,585	\$344,860	\$799,713

**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	(\$16,203)	\$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.*

This bill allows the Department to add an optional Targeted Case Management Service to the Medicaid State Plan for Medicaid eligible recipients who are elderly or persons with physical disabilities at risk of long-term care services including but not limited to Service Payments to Elderly and Disabled (SPED) and Expanded SPED eligible recipients.

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The \$445,432 savings noted in the Long Term Care Task Force Report didn't take into consideration the effect of the 5% county match and therefore the overall savings to the state for implementing targeted case management is \$429,229.

<b>Name:</b>	Brenda M. Weisz	<b>Agency:</b>	Human Services
<b>Phone Number:</b>	328-2397	<b>Date Prepared:</b>	01/12/2001

Date: 1-15-01  
Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. HB 1117

House Human Services Committee

Subcommittee on \_\_\_\_\_  
or  
 Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken Do Pass

Motion Made By Rep. Galvin Seconded By Rep. Cleary

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

Total (Yes) 13 No 1

Absent \_\_\_\_\_

Floor Assignment Rep. Porter

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

**REPORT OF STANDING COMMITTEE (410)**  
January 16, 2001 12:30 p.m.

**Module No: HR-06-1053**  
**Carrier: Porter**  
**Insert LC: . Title: .**

**REPORT OF STANDING COMMITTEE**

**HB 1117: Human Services Committee (Rep. Price, Chairman) recommends DO PASS**  
**(13 YEAS, 1 NAY, 0 ABSENT AND NOT VOTING). HB 1117 was placed on the**  
**Eleventh order on the calendar.**

2001 HOUSE APPROPRIATIONS

HB 1117

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 1117

House Appropriations Committee  
Human Resources Division

Conference Committee

Hearing Date: **MONDAY, JANUARY 29th, 2001**

Tape Number	Side A	Side B	Meter #
1-29-01 1117	X		00-3918
Committee Clerk Signature <i>Mickie Schmidt</i>			

Minutes: **CHAIRMAN KEN SVEDJAN, VICE-CHAIRMAN JEFF DELZER,  
REP. KEITH KEMPENICH, REP. JAMES KERZMAN,  
REP. AMY KLINISKE, REP. JOHN M. WARNER**

**Chairman Svedjan:** We now call this session to order on HB 1117-TARGETED CASE MANAGEMENT.

Roll Call: We have a quorum.

**Dave Zentner:** Director of Medical Services for the Department of Human Services. (attachment #1 & #2)

**Rep. Kempenich:** How many more are going to be added?

**Dave:** About 325- MA eligible, 500- Basic Care, 613- Sped, 242 -Expanded Sped.

**Rep. Kempenich:** Where are we at today?

**Dave:** In Basic Care- 490-495

Page 2  
Human Resources Division  
Bill/Resolution Number 1117 & 1012  
Hearing Date Monday, January 29th, 2001

Vice-Chairman Delzer: Can you access the fed. funds for Sped and Expanded Sped without adding those 325?

Dave: We could try it, but I don't know if it will be acceptable to the fed. govt.

Vice-Chairman Delzer: How did you come up with your \$\$ figure on that?

Dave: We estimated a state cost of \$205 per year for each of 325 clients.

Chairman Svedjan: On page 2 of the bill, sub section 6 was removed, and that's where it addressed the preparation of recommendations, and now the way the bill reads, I don't see that the targeted case manager really prepares any recommendations.?? Is it your assumption here that most people would opt for receiving services at home?

Dave: Yes, that's been our experience.

Vice-Chairman Delzer: How do you expect to monitor the results of targeted case management?

Dave: Aging services would be monitoring the process.

Chairman Svedjan: I'd like to go back to the lack of language for making recommendations. It seems that the targeted case manager would assess the situation and probably come to a conclusion that this is the best service for this individual versus institutional care. In terms of cost effectiveness, will your monitoring measure your assessment against what the ultimate choice of the patient is?

Muriel Peterson: Administrator for writing programs for Aging Services. One of the things that is required under the Medicaid waiver, is an explanation of client choice. The person cannot be prohibited, even if it is less costly, that's a fed. condition. You can't prevent them from entering a nursing home, if they qualify.

John Graham: Director of Burleigh County Social Services. (attachment #3 and #4)

Page 3  
Human Resources Division  
Bill/Resolution Number 1117 & 1012  
Hearing Date Monday, January 29th, 2001

**Vice-Chairman Delzer:** Do you think it's going to be the norm that people don't put on more case managers?

**John:** I'm assuming that the County Social Service agencies will be the prime, if not the only provider of targeted case management. I don't see that happening.

**Vice-Chairman Delzer:** Why the expansion in money if you're not going to have more people doing it?

**John:** Partly because some of those people are receiving case management functions that are paid entirely from county \$\$\$. We're dealing with clients who are Medicaid eligible, but who are not receiving Sped, Expanded Sped, Medicaid waiver services. Now you are going to be adding Basic Care clients who are not receiving case management services because they are not receiving Basic Care assistance. So, we'll be adding clientele who are receiving the case management services at County cost. They'll then become eligible under the targeted case management, so there'll be a state and fed share for their cost.

**Chairman Svedjan:** Any more questions on HB #1117? We'll close the hearing on HB #1117.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 1117

House Appropriations Committee  
Human Resources Division

Conference Committee

Hearing Date: **THURSDAY, FEBRUARY 1, 2001**

Tape Number	Side A	Side B	Meter #
2-1-01 #1117		X	#2002-6234
Committee Clerk Signature <i>Micki Schmidt</i>			

Minutes: **CHAIRMAN KEN SVEDJAN, VICE-CHAIRMAN JEFF DELZER,  
REP. KEITH KEMPENICH, REP. JAMES KERZMAN,  
REP. AMY KLINISKE, REP. JOHN M. WARNER**

**Chairman Svedjan:** We'll take up some work on **HB 1117: Targeted Case Management**. If this bill is not passed, then we would have to add general funds back into the Aging budget?  
(Refer to p 2 of Mr. Zentners testimony from Jan. 29th, 2001)

**Dave Zentner:** Director of Medical Services for the Department of Human Services (attachment #1 & #2 from 1-29-01) Yes, or not provide Case Management

**Chairman Svedjan:** (Refer to p 2 of Mr. Zentners testimony from Jan. 29th, 2001)

This basically lays out the program. The funding: 1.1 million of which \$338,000 is general funds. According to the department, the adoption of this option which would require a waiver, would save the general fund \$445,000 adjusted by the county 5% portion, so the savings ultimately would be \$429,000.

**Rep. Kempnich:** 490 is currently being served today in basic care? 325 is new?

**Dave:** Yes. 325 is our estimate that will be asking for services relating to long term care needs. this is a difference of \$205 a year compared to the full SPED of \$450a year.

**Chairman Svedjan:** How do you get up to the \$1680 per year that you're talking about serving under this arrangement?

**Dave:** There's the 325 people who are currently Medicaid eligible, not in any of these 3 services at the time, but in a position where they're deteriorating where they want to come in and see what services are available, and that's what triggered the targeted case management. Basic care is at \$500,00, that's what we're asking for the budget stand point. Sped is at 30%, a rough estimate of Sped, who are Medicaid eligible. That's how we come up with the \$1680.

**Vice-Chairman Delzer:** What's the Sped #?

**Dave:** 613.

**Chairman Svedjan:** Where are the rest of them?

**Dave:** 242 for Expanded Sped.

**Vice-Chairman Delzer:** Actual count on expanded Sped is 175. The count on Sped is 1306 per month. These #'s are from the spin down tables.

**Lawrence Hopkins:** They took the state fiscal year, there were 242 people for the year.

**Vice-Chairman Delzer:** These people are already getting it. They got the case management and was said that they were ineligible for Expanded Sped or Sped.

**Lawrence Hopkins:** The people that are in it are all eligible for Sped.

**Dave:** If they're ineligible right now, the case manager may have gone through the work, but doesn't get paid for it. The case manager is getting a salary, but is the entity who's paying their salary getting reimbursed.

**Vice-Chairman Delzer:** What you're saying is you'll be able to charge for some of these people that currently they're not charging the system for because they're not eligible.

**Dave:** For example, an individual comes in and says I need some information on long term care. The process goes through and they decide that they want to go into a nursing home. That case manager has provided information. Right now, if they don't choose Sped or Expanded Sped, that work that goes into the process is not being reimbursed by Sped or Expanded Sped.

**Chairman Svedjan:** The counties will not be adding any staff to do this kind of work?

**Dave:** In burleigh county, they didn't think they were going to have to add staff.

**Chairman Svedjan:** So the 1.1 million is to pay for the service, to what extent does that include Fte's?

**Dave:** It includes no FTE's. The provider has to meet our standards, they enroll in the program, and then we pay them a fee for service. It is for the provider to decide how many staff they need to provide appropriately. We're looking at \$920,000 a year for case management and Sped.

**Chairman Svedjan:** I can look at this request in a # of ways: It's a means of course to care for the people who fall into these categories and do it in a different way. I can look at this also as a means to do something differently to free up general funds that are currently being paid for as similar type service, but mostly state dollars. Or as a program that could grow over time, or as creating an entitlement. Have you thought about growth potential and what we're committing ourselves to in the future?

**Dave:** Yes. If it does increase a bit, it has potential to save money.

**Vice-Chairman Delzer:** What's the growth in Sped? How much of the growth in Sped are you attributing to passing this targeted case management?

Dave: Not much. I think the #'s that were developed for Sped and Expanded Sped were done first and then the amount of case management was plugged into this process.

Chairman Svedjan: How would they look at our putting a cap on it? So there's no way to control the growth? So this is not a waivable thing?

Dave: This is not a waiver service where you have the opportunity to cap, this would be an entitlement, so once you define what the class is, anyone who fits into this class, has to be able to access the service. No, it's a state plan option.

Vice-Chairman Delzer: We could sunset it though?

Dave: Yes, we can withdraw state plan amendment anytime.

Vice-Chairman Delzer: I would offer an amendment that would: 1. Sunset it, whatever the proper date is before the next upcoming biennium. 2. Also suggest to the committee that we consider putting language, that would require a report to the next Legislative Session on the cost effectiveness and the results of the case management.

Chairman Svedjan: There needs to be a means developed to measure the cost effectiveness of this program and a means to report the findings. This plays into what's been requested for a sunset. We would at that time, based on the cost effectiveness reports show, determine whether or not the sunset should be removed and that this program should be allowed to continue.

Dave: We'll be able to track our numbers better.

Rep. Kerzman: I don't know how you could detour someone from going into long term care. I don't know how you can measure that.

Vice-Chairman Delzer: We're talking the case aide managers, not the people who care for them?

Dave: Correct. For most services, the case managers aren't trained to actually provide the service.

Rep. Kerzman: Just to follow up on that, they're the ones that align the assessments and assists them.

Chairman Svedjan: If I had my way, I would like to remove the strike over on sub section 6 on p 2 of the bill. You're saying you can't do it.

Dave: We can make recommendations. The reason we took this out was, that we were concerned because last session there was, this whole process got killed because there was some indication that the department was going to impose it's will on people. It's inherent to the process.

Chairman Svedjan: Is there anything in here about developing the care plan?

Dave: No. It talks about "to assess" the health and social needs.

Vice-Chairman Delzer: If you have a written plan, are we in any way opening the state to liability for somebody not following this? The difference is you're now saying "this is what we can offer you, you're not saying this is what you should do."

Dave: There is a fine line. A recommendation is just that.

Rep. Kempenich: That comes down to where they're coming in and asking for the service to start with.

Rep. Kerzman: The reverse could be true also.

Vice-Chairman Delzer: The person can turn them away, but the person doesn't have to call and ask, it's referrals from a number of sources.

Chairman Svedjan: We should put some language in there in the most appropriate place about the development of a care plan because that would suggest to me that there's a plan.

I will request that Allen (LC) I'm not sure where to exactly put it. And then about the cost effectiveness, that should be somehow melded into subsection #7.

Rep. Warner: Is there some testimony or debate that we can go back and look on as to where the objection was to sub section #6?

Dave: If my memory serves me correct, it was in this committee. (room bursts with laughter)  
We wanted the proposed legislation would have created the targeted case management and before you go into a nursing home, you have to have this assessment. And that's where the two things kind of got intertwined here. That's the thing that was most objectionable at the time.

Vice-Chairman Delzer: Also, that was all state money.

Rep. Warner: Is there a point which a person is no longer considered competent?

Chairman Syedjan: Yes. Any questions? Hearing none, we will request those amendments. We will conclude our work on HB # 1117 today. We stand adjourned.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1117

House Appropriations Committee  
Human Resources Division

Conference Committee

Hearing Date February 5, 2001

Tape Number	Side A	Side B	Meter #
02-05-01 tape 1		3,725 - (625)	
02-05-01 tape 2	6 - 40		
Committee Clerk Signature <i>[Signature]</i>			

Minutes:

The committee was called to order, and opened committee work on HB 1117.

Chairman Svedjan: handed out copies of the amendment.

Allen (LC): Explained the purpose of the amendment, page 2 line 10, and all others.

Rep. Delzer: Moved to adopt the amendment except page 2, line 10. Seconded by Rep.

Kliniske.

Rep. Kerzman: Has no real problem, and can put it in the statute if we want, but feels the cost effectiveness aspect is still a gray area.

Chairman Svedjan: Agrees that there is some objectiveness, but sees this as an opportunity to get to the issues at cost effectiveness, and to get a report back. The expiration date goes to that.

Rep. Kempenich: He questions what is meant by "other interested parties" on page 2 of the bill.

Page 2

Government Operations Division

Bill/Resolution Number HB 1117

Hearing Date February 5, 2001

Chairman Svedjan: Says they did discuss this somewhat, and he vocalized that recommendations should have been made. It is inherent in this, and that's why we put the care plan language in.

Rep. Delzer: The committee could offer to further amend if wanted.

Vote on motion to amend, except page 2, line 10. 6 yes, 0 no. Motion passes.

Chairman Svedjan: We now have the amendment page 2, line 10.

Rep. Kempenich: Moves to adopt page 2, line 10 amendment. Seconded by Rep. Warner.

Rep. Delzer: No big problem with this, but not sure it needs to be in code that the plan be on paper. I also am concerned like Rep. Kempenich, as to who the other interested persons are, and what case management has to be pursued.

(There was general discussion as to the what an individual care plan is, and the definition of interested parties, and not just busy-bodies, who can trigger this plan, where you draw the line, and examples by Rep. Svedjan and Rep. Kliniski).

Rep. Warner: Noted some earlier concerns that Rep. Delzer had about state liability. He has concerns just the opposite, that the state should be documenting response to complaints, and documentation as to why no action was taken, if the action was refused, etc.

Rep. Delzer: Not too excited about adding more paperwork to the system.

Vote on motion to amend page 2, line 10: 5 yes, 1 no (Rep. Delzer). Motion carried.

Rep. Kempenich: Comments again as to the other interested parties, but makes no amendments.

Rep. Kerzman: Moved DO PASS AS AMENDED. Seconded by Rep. Warner.

Rep. Delzer: Very concerned about the added cost to the state, and that the return is worth the costs.

Page 3

Government Operations Division

Bill/Resolution Number HB 1117

Hearing Date February 5, 2001

Chairman Svedjan: That was the purpose of the expiration date and the requirement for cost effective analysis.

Rep. Kerzman: Thinks this is a really good program.

Vote on Motion to pass as amended: 5 yes, 1 no (Rep. Delzer). Motion carried.

Rep. Kerzman assigned to carry this bill to the full committee.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1117

House Appropriations Committee

Conference Committee

Hearing Date **February 7, 2001**

Tape Number	Side A	Side B	Meter #
1	x		5942 - 6242
1		x	0 - 615
Committee Clerk Signature <i>L. Leander</i>			

Minutes:

**HOUSE APPROPRIATIONS COMMITTEE ACTION ON HB1117.**

**Rep. Kerzman:** HB1117 is a target case management bill and what that will do is target the population that is over 65 and eligible for Medicaid or under 65 and disabled and who may be looking for long term care, and it was amended. The amendments are .0101 and I will discuss the amendments. It provides the Human Services to prepare an individual care plan for each individual received into target case management services, and that the Dept. Report to the legislative assembly the results and the cost effectiveness of case management and it also puts an expiration date. There was some concern in the committee when we start a program to see how efficient it is, and if it's really saving money, and that's why the sunset is in the bill, and also because they wanted a care plan to see if they were offering all the services. There also was some concern in the committee that when you make this an entitlement that case loads might increase quite a bit, and we will be monitoring that. The targeted population I discussed is about 1650

people or right in that area, and the Dept. Doesn't look for a big increase. But with an entitlement you always run that risk, but I would move the amendments at this time. Seconded by Rep. Kempenich.

**Rep. Timm:** Rep. Kerzman, just what is targeted case management? What happens to the people that are involved?

**Rep. Kerzman:** With the Targeted Case Management they have to make available all the options to the clients. More or less write a care plan for them and make suggestions, but its ultimately up to the clients what they chose. But its supposed to be a deterrent to keep them out of long term care.

**Rep. Svedjan:** I would just like to add to that, Targeted Case Management is what Rep. Kerzman said, the intent of it really is, for those people who would be eligible for this service, would be for a Targeted Case Manager to go in and do an assessment of what that person's needs are, and help lead that person or the family to the kinds of services that would be available to assist them with the intent and the hope that they would select the services that would be able to be provided to them in their home over and against putting this person in a nursing home. The reason we put the language in there about a care plan, is that we would really like to see that there be at least a fairly strong suggestion that they could receive what is it is they need, and possibly in their home or in maybe a basic care type of facility, rather than the high cost nursing home. There is concern that this could grow and maybe grow more in line with what you might call an advocacy program and that's why we wanted the language in about the care plan, and we wanted the language about doing a cost effectiveness study and that be reported back to us, because if this thing shows phenomenal growth that only adds cost to what is were doing then we would want to sunset this and take a look at it again in two years.

**Rep. Wald:** I'm looking at the fiscal note and there is \$16,203 and a 5% match required by the counties, and do I understand that the counties tap the SPED budget or allocation?

**Rep. Kerzman:** What that does is, that is would replace the county dollars with federal dollars, that \$16,000 would no longer be coming out of the counties. At present time the counties paid 5% of this SPED.

**Rep. Wald:** On the fiscal note on the top under general fund it shows \$16,203, it looks like that would be a wash. Response was YES.

**Rep. Gulleon:** This was a federal initiative, this was something that the federal government put forth to allow, or in an effort to keep more people in their homes, and not in nursing homes. So its a partnership with the state.

**Rep. Svedjan:** I would just add to that, and what's involved here is that this would become an optional service under the Medicaid program, not a waiver but an optional service, so that's what brings in the fact that this would become an entitlement, but sum and substance of what it is were doing here is that by doing this we are able to capture federal dollars or at least 70% rather than spending nearly all state dollars to do this Targeted Case Management, and were doing it through the Medicaid program.

**Rep. Delzer:** Also on this, is currently this is being done for SPED and expanded SPED members and that's part of the 1600 people that Rep. Kerzman alluded to, and entitlement goes because when you make a Medicaid option, you have to offer it to anybody that would be available under that, and that's where the expanded cost comes from.

**Rep. Timm:** Any other discussion? We are discussing the amendments. All those in favor of adopting the amendments say AYE. Voice Vote. Motion carried and the amendments are adopted.

Page 4  
House Appropriations Committee  
Bill/Resolution Number HB1117  
Hearing Date February 7, 2001

**Rep. Kerzman:** I move HB1117 as amended. Seconded by Rep. Warner.

**Rep. Timm:** We have a motion to PASS the bill as amended. Any discussion? Roll Call vote was taken (20) YES (1) NO Motion passes. Rep. Kerzman will carry the bill to the floor.

**End of Committee action on HB1117.**

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1117

Page 1, line 3, after "services" insert "; and to provide an expiration date"

Page 2, line 10, remove the overstrike over "~~To prepare~~" and insert immediately thereafter "an individual care plan for each individual receiving targeted case management services"

Page 2, line 12, remove the overstrike over the period

Page 2, line 13, remove the overstrike over "7."

Page 2, line 18, replace "7" with "8" and after "management" insert "and report to each legislative assembly on these results and the cost-effectiveness of these services"

Page 2, after line 18, insert:

**"SECTION 3. EXPIRATION DATE.** This Act is effective through June 30, 2003, and after that date is ineffective."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Dept. 327 - Department of Human Services - Economic Assistance**

HOUSE - This amendment provides that the Department of Human Services prepare an individual care plan for each individual receiving targeted case management services and that the department report to each Legislative Assembly on the results and the cost-effectiveness of the targeted case management services.

An expiration date of June 30, 2003, is added to the bill.





Date: 2-5-01  
Roll Call Vote #: 3

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. AB 1117

House House Appropriations, Human Resources Committee

Subcommittee on Human Resources  
or  
 Conference Committee

Legislative Council Amendment Number 18127.0101

Action Taken Do Pass As Amended.

Motion Made By Rep Kerzman Seconded By Rep Warner

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN KEN SVEDJAN	✓				
V. CHAIRMAN JEFF DELZER		✓			
REP. KEITH KEMPENICH	✓				
REP. JAMES KERZMAN	✓				
REP. AMY KLINISKE	✓				
REP. JOHN M. WARNER	✓				

Total (Yes) 5 No 1

Absent 0

Floor Assignment Rep. Kerzman

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

Date: 2-7-01  
Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. HB 1117

House APPROPRIATIONS Committee

Subcommittee on \_\_\_\_\_  
or  
 Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken DO PASS AS AMENDED

Motion Made By KERZMAN Seconded By WARNER

Representatives	Yes	No	Representatives	Yes	No
Timm - Chairman	✓				
Wald - Vice Chairman	✓				
Rep - Aarsvold	✓		Rep - Koppelman	✓	
Rep - Boehm	✓		Rep - Martinson	✓	
Rep - Byerly	✓		Rep - Monson	✓	
Rep - Carlisle	✓		Rep - Skarphol	✓	
Rep - Delzer		✓	Rep - Svedjan	✓	
Rep - Glassheim	✓		Rep - Thoreson	✓	
Rep - Gulleson	✓		Rep - Warner	✓	
Rep - Huether	✓		Rep - Wentz	✓	
Rep - Kemperich	✓				
Rep - Kerzman	✓				
Rep - Kliniske	✓				

Total (Yes) 20 No 1

Absent 0

Floor Assignment KERZMAN

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

2001 SENATE HUMAN SERVICES

HB 1117

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1117

Senate Human Services Committee

Conference Committee

Hearing Date February 20, 2001

Tape Number	Side A	Side B	Meter #
1	X		14.1
Committee Clerk Signature <i>Paul Kelley Clark</i>			

Minutes:

The hearing was opened on HB 1117.

DAVE ZENTNER, Dept of Human Services, explain and supports the bill. (Written testimony)

SENATOR MATHERN: How soon could you implement this? MR. ZENTNER: As soon as possible, probably at the beginning of a quarter.

SHELLEY PETERSON, Long Term Care, Assoc., supports bill. This is an ideal program to refer crisis people We are supportive of the Case management services going into a basic care person .County Social Services will visit probably twice a year to see if they are getting the needed services and are they satisfied. SENATOR MATHERN: What is the bill number regarding loans for nurses. MS. PETERSON: HB1196. SENATOR LEE: Would you explain the SPED and expanded SPED services. MURIEL PETERSON: Service Payments to Elderly and Disabled (SPED) ADL (Activities of Daily Living) has to do with personal care, pertains to the body. IADL (Instrumental Activities of Daily Living) has to do with mentally processing

something and physically do it; meal preparation, taking your meds, housekeeping, laundry, things that do not affect the body directly. Service Delivery System is collected from those. Family Home Care, pays family members to provide care. Personal Care is somebody coming into the home. Homemakers Services to help with things around the house. Respite Care provides a break for the provider. Adult Foster Care in a licensed foster home. Cases are closed by death or entry in the nursing home. All our services come up to the nursing care and it allows people to stay in their homes as long as possible. The oldest was 108, since died, but several are over the age of 100 and most are in 80's and 90's.

No opposition.

The hearing was closed on HB 1117.

SENATOR MATHERN moved to add emergency clause. SENATOR POLOVITZ seconded the motion. Voice vote carried. SENATOR MATHERN moved a DO PASS AS AMENDED.

SENATOR KILZER seconded the motion. Roll call vote carried 6-0-0. SENATOR

MATHERN will carry the bill.

Date: 2/20/01

Roll Call Vote #: /

2001 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1117

Senate HUMAN SERVICES Committee

Subcommittee on \_\_\_\_\_

or

Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken Amendment to Add Emergency Clause

Motion Made By Sen Mathern Seconded By Sen Polovitz

Senators	Yes	No	Senators	Yes	No
Senator Lee, Chairperson			Senator Polovitz		
Senator Kilzer, Vice-Chairperson			Senator Mathern		
Senator Erbele					
Senator Fischer					

*voice vote  
Carried*

Total (Yes) \_\_\_\_\_ No \_\_\_\_\_

Absent \_\_\_\_\_

Floor Assignment \_\_\_\_\_

If the vote is on an amendment, briefly indicate intent:  
Emergency clause to be effective asap.

Date: 2/20/01

Roll Call Vote #: 2

2001 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1117

Senate HUMAN SERVICES Committee

Subcommittee on \_\_\_\_\_

or

Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken Do Pass As Amended

Motion Made By Sen Mathern Seconded By Sen Kilzer

Senators	Yes	No	Senators	Yes	No
Senator Lee, Chairperson	✓		Senator Polovitz	✓	
Senator Kilzer, Vice-Chairperson	✓		Senator Mathern	✓	
Senator Erbele	✓				
Senator Fischer	✓				

Total (Yes) 6 No 0

Absent 0

Floor Assignment Sen Mathern

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

**REPORT OF STANDING COMMITTEE**

HB 1117, as engrossed: Human Services Committee (Sen. Lee, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1117 was placed on the Sixth order on the calendar.

Page 1, line 3, remove "and" and after "date" insert "; and to declare an emergency"

Page 2, after line 22, Insert:

"**SECTION 4. EMERGENCY.** This Act is declared to be an emergency measure."

Renumber accordingly

2001 TESTIMONY

HB 1117

**TESTIMONY BEFORE THE HOUSE HUMAN SERVICES COMMITTEE  
REGARDING HOUSE BILL 1117  
JANUARY 15, 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 and offer support for this bill.

The Task Force on Long Term Care Planning was appointed by former Governor Schafer to review the current delivery system for long term care services and make recommendations for changes. The Task Force included members from government, the long term care industry and the public. The Task Force met during the interim and issued a report in September 2000. The report included a recommendation to add an optional Targeted Case Management Service to the Medicaid State Plan for Medicaid eligible recipients who are elderly or persons with physical disabilities at risk of long-term care services including but not limited to Service Payments to Elderly and Disabled (SPED) and Expanded SPED eligible recipients.

Section one of the bill authorizes the Department to establish the targeted case management service. Section two sets forth the powers and duties of the Department in establishing the service.

The purpose of Targeted Case Management Services is to ensure that clients are aware of available services so that they and their families can make informed decisions regarding where they wish to obtain needed services. It is also used to ensure that clients are receiving the care necessary to meet their needs while they are receiving SPED, Expanded SPED or Basic Care services.

Currently, SPED and Expanded SPED clients receive case management services from county social service staff. Payments made to counties comes from 95%

state general fund dollars for SPED clients and 100% general funds for Expanded SPED clients. SPED and Expanded SPED provides home and community based services to individuals who either are not eligible for or receive services that are not otherwise covered under the Medicaid Program.

The new service would be available to Medicaid recipients eligible for SPED, all Expanded SPED clients, clients eligible for the Basic Care Assistance Program and other Medicaid recipients at risk of needing long term care services. The Department estimates that a total of 1,680 individuals will receive services during each year of the new biennium.

By utilizing the Medicaid Program to pay for case management services for about 30% of SPED clients who are Medicaid eligible and all Expanded SPED clients, the Department will be able to access 70% federal funding for these services that are currently funded entirely by state and county funds. The fiscal note shows that the cost of this program will be about \$1.1 million of which about \$338,530 are general funds. The general fund dollars will come from the Aging Services budget that would otherwise have been used to pay for case management services using only state or county funds. In addition, the adoption of the case management Medicaid option will save an additional \$445,432 in general funds because of the replacement of general funds with federal dollars.

When the cost savings for implementing this change were determined, the 5% savings that the counties will experience was not calculated. For this reason, an additional \$16,203 in general funds will be necessary to implement this service. This will reduce the overall savings to \$429,229.

If this bill fails, it will be necessary to add back \$445,432 in general funds to the Aging Services budget in order for that division to pay for case management services to SPED and Expanded SPED clients.

The Department supports this bill and recommends a do pass.

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



**NORTH DAKOTA DEPARTMENT  
OF HUMAN SERVICES**

John Hoeven, Governor  
Carol K. Olson, Executive Director

**Aging Services Division**

600 S Second St - Ste 1C, Bismarck, ND 58504-5729  
(701) 328-8910  
Senior Information Line/Toll Free 1-800-451-8693  
TTY (701) 328-8968

January 22, 2001

**TO: Chairman Clara Sue Price, House Human Services Committee  
Members of the House Human Services Committee**

**FROM: Muriel Peterson, Program Administrator, Aging Services Division**

**RE: HB 1117, Targeted Case Management for Aged & (Physically) Disabled**

During the hearing on HB 1117, Targeted Case Management for Aged & (Physically) Disabled, Dave Zentner was asked whether there would be an application and assurance that the client would not be required to receive case management. Since the hearing we have developed the process for targeted case management needed to coincide/mesh with the SPED and Expanded SPED Programs' funded home and community-based services.

Targeted Case Management would accomplish:

- ◆ Federal match for expenditures now using almost 100% general fund dollars.
- ◆ Provide case management to Medicaid recipient in nursing facility or hospital so in-home services can be in place upon discharge. Now cannot start the case management process or arrange for services unless the recipient is in their home.
- ◆ Combines with State Plan optional personal care service; for the first time case management oversight for Medicaid recipient in basic care facility.
- ◆ Aged and disabled population receiving Medicaid will be better informed about choices or options available in their home area and linked with them if have service need that can be met by SPED or Expanded SPED Programs or Medicaid Waivers.
- ◆ Intended to be episodic; not on-going unless, in-home care/service is available under SPED or Expanded SPED Programs or Medicaid Waivers.

Process for Targeted Case Management for Aged & Disabled:

- ◆ A specific application will be needed to document the service is to an eligible person in order to bill Medicaid for cost; need also to inform applicant of right of appeal, etc.) The application for targeted case management for aged & disabled must cover:
  - Medicaid recipient (give Medicaid ID number).
  - Date of Birth to determine if at least 65 years of age.
  - Under age 65, Social Security Disability determination date.

Chairman Price, House Human Services Committee

January 22, 2001

Page 2 of 2 pages

- Not already a recipient of Medicaid funded case management (any of the Medicaid Waivers, SMI).
- Document "long-term care need." (This can be based on open ended question such as currently used on Application for Services. Ask applicant what need help with, why seeking service or such question that allows for explanation of personal care needs and/or assistance with environment - housekeeping, laundry -- what they see as the "problem".)
- ◆ If eligible, proceed with scheduling home visit that includes comprehensive assessment currently used in HCBS. (Applicant or referred individual must agree to home visit, and provide information in order for process to proceed.) Assessment includes: housing/living environment, how health or physical or mental functioning affects ability to care for self and/or safely live at home, what services currently receiving and what might be available in community to meet identified needs to remain in their home. By doing the assessment in the home, the case manager can observe the condition of the home as well as how the person functions in that home. (bathroom upstairs and observes difficulty getting up and down stairs, walks holding on to furniture but says has no difficulty ambulating, sees handrails missing on stairs, etc). Focus is on identifying what the person needs to remain in the community or their home and be linked to those services and programs.

Initial assessment concludes with:

- ◆ Individual Care Plan developed to access services funded under Expanded SPED or SPED Programs, or Medicaid Waiver for Aged & Disabled, OR
- ◆ May find that needs are beyond the capability of home and community-based service offerings. May recommend and, if asked, assist with Medicaid recipient's move to a nursing facility, basic care facility, or specialized dementia unit. OR
- ◆ Person declines services or further case management service. "The End"

The above process will mesh with current HCBS case management practices. Attached for your review is a copy of the current Application For Service, Explanation of Client Choice required of Medicaid Waiver recipients and Individual Care Plan.

If you have questions about the information contained in this memorandum, please contact either Dave Zentner at 8-3194 or [sozend@state.nd.us](mailto:sozend@state.nd.us) or myself at 8-8905 or [sopetm@state.nd.us](mailto:sopetm@state.nd.us).

MP:hb1117

Attachments - 3

c: Executive Office (3)

Dave Zentner, State Medicaid Director

Linda Wright, Director, Aging Services Division



**APPLICATION FOR SERVICE**  
 N.D. Department of Human Services/OPS & PD  
 SPN 1047 (Rev. 12-90)

Date
Agency

Name (Please Print)

I Hereby Apply For Services To Assist Me With:

**FOR YOUR INFORMATION (Please read before signing below)**

The agency provides a variety of services based upon your specific needs. Eligibility for services and the fees for our services are individually determined. Some services are without fee. When fees are involved, other sources of funding, such as insurance, will be explored and utilized.

We respect your right to receive prompt, professional service, to be involved in setting the treatment plan and service goals, and to have records about you kept confidential. The agency will not release any personal information about you (either verbal or written) without your permission except when required to do so by law or regulation or in the administration of the program. Within the agency, information about you will be shared only with staff who are involved in the administration or provision of services which you receive.

You cannot be discriminated against in any manner related to the receipt of any service, financial aid, or other benefit under the agency or any programs administered by the agency on the grounds of race, color, national origin, sex, or nature of handicap.

In the event you feel dissatisfied with any service provided to you, you are encouraged to call this to the attention of the person providing services to you. If still dissatisfied, you may have a review by the director of the office providing services. In the event the office has not resolved the issue to your satisfaction, you are entitled to an administrative hearing by notifying the Executive Director, Department of Human Services, State Capitol Building, Bismarck, North Dakota, in writing, of your dissatisfaction and request for hearing.

Parent's Signature	Applicant's Signature	Date
--------------------	-----------------------	------



**EXPLANATION OF CLIENT CHOICE**  
**MEDICAID WAIVER SERVICES FOR THE AGED AND DISABLED**  
 North Dakota Department of Human Services/Aging Services  
 SFN 1597 (Rev. 02-90)

Case Number	
Name (Last, First, Middle)	Case Manager
Residential Address	County Social Service Board
	Telephone No. _____

This is to inform you that Home and Community Based Services may be available to you in place of admission to a nursing home. An Individual Care Plan was prepared specifically for you. Please review it carefully. If you are eligible for Medical Assistance, you have the choice of receiving those services listed in the Individual Care Plan or receiving care in a nursing home. Should you choose to receive care in a nursing home, the case manager named above can assist you in selecting a facility to meet your needs.

You have the right to consult with whomever you choose before making this decision, including friends, relatives, and advocacy organizations. You may authorize any of these individuals to contact the case manager named above to provide information to assist you in making this decision.

If you choose to receive the services described in the Individual Care Plan, your case will be reviewed to determine that you are eligible for Medicaid reimbursed Home and Community Based Services for the Aged or Disabled. If, for any reason, you are found to be ineligible, you will receive written notice of your ineligibility and an explanation of your appeal rights.

- I WISH TO RECEIVE THE SERVICES DESCRIBED IN THE ATTACHED INDIVIDUAL CARE PLAN RATHER THAN RECEIVING CARE IN A NURSING HOME.
- I DO NOT WISH TO RECEIVE THE SERVICES DESCRIBED IN THE ATTACHED INDIVIDUAL CARE PLAN, AND REQUEST CARE IN A NURSING HOME.

Client's Signature	Date	OR	Legal Representative's Signature (Relationship)	Date



**INDIVIDUAL CARE PLAN**  
 ND DEPARTMENT OF HUMAN SERVICES, Aging Services  
 SFN 1407 (07-99)

APPENDIX B

MEDICAID WAIVER: If ICP completed since October 1st  
 check (✓) this box

(Recipient) Identification Number:		County Name:	County Code
Name:		Effective Date of Screening or SPED Pool Authorization:	Date Plan is Effective:
Residential Address:			From:
			To:

SECTION I. APPROVED SERVICES:  MEDICAID WAIVER (Aged and Disabled)  SPED PROGRAM  XSPED  TBI

SERVICE	SERVICE PROVIDER AND PROVIDER NUMBER	Unit Rate	Units Per Month	COST/MONTH
1. Case Management	Assessment Review			
2.				
3.				
4.				
5.				
6.				
Estimated Monthly Cost to Client for Services: \$	Plus Amount for HCBS Case Management: \$	COST: Medicaid Waiver		
		COST: SPED Program		
		GRAND TOTAL - HCBS		

SECTION II. OTHER AGENCIES/INDIVIDUALS PROVIDING SERVICES

SERVICE	PROVIDER	Check (✓) If Authorized to Release Information	START DATE
1.			
2.			
3.			
4.			

I have selected the Qualified Service Provider (QSP) from the List Available: (Please Initial)

I hereby authorize release of information to the agency(s) checked above in Section II: (Please Initial)

I AM IN AGREEMENT WITH THE SERVICES LISTED ABOVE. I AM AWARE OF MY RIGHT TO APPEAL ADVERSE ACTIONS BY WRITING TO:

**APPEALS SUPERVISOR**  
 600 E BLVD AVE DEPT 325  
 BISMARCK ND 58505-0250

**SIX MONTH REVIEW**  
 No Change in the Case Plan is Needed. Services will Continue as Agreed Upon Effective Date:

From:

To:

Client/Legal Representative:	Date:	Client/Legal Representative:	Date:
Case Manager:	Date:	HCBS Case Manager:	Date:

DISTRIBUTION: Original - Client's Care File  
 Copy - Client  
 Copy - Aging Services Division/DHS

**TESTIMONY BEFORE THE SENATE HUMAN SERVICES COMMITTEE  
REGARDING HOUSE BILL 1117  
FEBRUARY 20, 2001**

Chairman Lee, 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 and offer support for this bill.

The Task Force on Long Term Care Planning was appointed by former Governor Schafer to review the current delivery system for long term care services and make recommendations for changes. The Task Force included members from government, the long term care industry and the public. The Task Force met during the interim and issued a report in September 2000. The report included a recommendation to add an optional Targeted Case Management Service to the Medicaid State Plan for Medicaid eligible recipients who are elderly or persons with physical disabilities at risk of long-term care services including but not limited to Service Payments to Elderly and Disabled (SPED) and Expanded SPED eligible recipients.

Section one of the bill authorizes the Department to establish the targeted case management service. Section two sets forth the powers and duties of the Department in establishing the service.

The purpose of Targeted Case Management Services is to ensure that clients are aware of available services so that they and their families can make informed decisions regarding where they wish to obtain needed services. It is also used to ensure that clients are receiving the care necessary to meet their needs while they are receiving SPED, Expanded SPED or Basic Care services.

Currently, SPED and Expanded SPED clients receive case management services from county social service staff. Payments made to counties comes from 95%

state general fund dollars for SPED clients and 100% general funds for Expanded SPED clients. SPED and Expanded SPED provides home and community based services to individuals who either are not eligible for or receive services that are not otherwise covered under the Medicaid Program.

The new service would be available to Medicaid recipients eligible for SPED, all Expand SPED clients, clients eligible for the Basic Care Assistance Program and other Medicaid recipients at risk of needing long term care services. The Department estimates that a total of 1,680 individuals will receive services during each year of the new biennium.

By utilizing the Medicaid Program to pay for case management services for about 30% of SPED clients who are Medicaid eligible and all Expanded SPED clients, the Department will be able to access 70% federal funding for these services that are currently funded entirely by state and county funds. The fiscal note shows that the cost of this program will be about \$1.1 million of which about \$338,530 are general funds. The general fund dollars will come from the Aging Services budget that would otherwise have been used to pay for case management services using only state or county funds. In addition, the adoption of the case management Medicaid option will save an additional \$429,229 in general funds because of the replacement of these funds with federal dollars.

Counties will also realize a cost saving of \$16,203 because their 5% share of the SPED eligible clients who are also Medicaid eligible will become the responsibility of the Medicaid Program.

If this bill fails, it will be necessary to add back \$429,229 in general funds to the Aging Services budget in order for that division to pay for case management services to SPED and Expanded SPED clients. Also, the \$338,530 in general funds that are to be transferred to the Medicaid Program would need to be returned to the Aging Services budget.

The Department supports this bill and recommends a do pass.

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