

Fifty-seventh
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1196

Introduced by

Representatives Devlin, Boucher, Severson

Senators Andrist, Fischer, Solberg

1 A BILL for an Act to create and enact section 23-27-04.5 and a new chapter to title 43 of the
2 North Dakota Century Code, relating to the nursing facility nurses loan repayment program and
3 a quick-response unit service pilot program; to amend and reenact sections 6-09.16-01,
4 6-09.16-02, 6-09.16-03, 6-09.16-04, 6-09.16-05, 6-09.16-06, 23-09.3-01.1, 50-24.4-30,
5 50-30-01, 50-30-02, and 50-30-04 of the North Dakota Century Code, relating to the nursing
6 facility alternative loan fund, the moratorium on the expansion of basic care bed capacity, the
7 government nursing facility funding pool, and nursing facility loans; to provide for a transfer
8 from the nursing facility alternative grant fund; to provide for a transfer from the health care trust
9 fund; to provide an appropriation; to provide a continuing appropriation; to provide an expiration
10 date; and to declare an emergency.

11 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

12 **SECTION 1. AMENDMENT.** Section 6-09.16-01 of the 1999 Supplement to the North
13 Dakota Century Code is amended and reenacted as follows:

14 **6-09.16-01. ~~(Effective through June 30, 2001)~~ Definitions.** Terms defined in chapter
15 50-30 have the same meaning when used in this chapter.

16 **SECTION 2. AMENDMENT.** Section 6-09.16-02 of the 1999 Supplement to the North
17 Dakota Century Code is amended and reenacted as follows:

18 **6-09.16-02. ~~(Effective through June 30, 2001)~~ Revolving Long-term care facility**
19 **loan fund - Appropriation Continuing appropriation.** A revolving loan fund must be

20 maintained in the Bank of North Dakota for the purpose of making loans to ~~nursing~~:

21 1. Nursing facilities, basic care facilities, or assisted living facilities, or other entities
22 providing alternatives to nursing facility care, to encourage and support conversion
23 of nursing facilities for construction or renovation projects.

24 2. Technology projects relating to the delivery of long-term care or medical care.

1 All moneys transferred into the fund, interest upon moneys in the fund, and collections of
2 interest and principal on loans made from the fund are ~~hereby~~ appropriated for disbursement
3 pursuant to the requirements of this chapter.

4 **SECTION 3. AMENDMENT.** Section 6-09.16-03 of the 1999 Supplement to the North
5 Dakota Century Code is amended and reenacted as follows:

6 **6-09.16-03. (~~Effective through June 30, 2001~~) Nursing Long-term care facility**
7 **alternative loan fund.**

- 8 1. There is ~~hereby~~ created a nursing long-term care facility alternative loan fund. The
9 fund ~~shall include~~ consists of revenue transferred from the North Dakota health
10 care trust fund, interest upon moneys in the fund, and collections of interest and
11 principal on loans made from the fund.
- 12 2. The Bank of North Dakota shall administer the loan fund. Funds in the loan fund
13 may be used for:
 - 14 a. Loans as provided in this chapter and as approved by the department under
15 chapter 50-30; and
 - 16 b. The costs of administration of the fund; ~~and~~
 - 17 e. ~~Repayment of federal funds if the United States department of health and~~
18 ~~human services determines that funds were inappropriately claimed under~~
19 ~~section 50-24.4-30.~~
- 20 3. Any money in the fund not required for use under subsection 2 must be transferred
21 to the North Dakota health care trust fund.

22 **SECTION 4. AMENDMENT.** Section 6-09.16-04 of the 1999 Supplement to the North
23 Dakota Century Code is amended and reenacted as follows:

24 **6-09.16-04. (~~Effective through June 30, 2001~~) Loan application - How made.** All
25 applications for loans under this chapter must be made to the department. The department
26 may approve the applications of qualified applicants ~~who~~ that propose projects that conform to
27 requirements established under chapter 50-30. ~~Applications approved by the department must~~
28 ~~be forwarded to the Bank of North Dakota. Upon~~ The Bank of North Dakota shall review and
29 approve or reject all loan applications forwarded to the Bank by the department. For
30 applications approved by the Bank and upon final approval of the application by the Bank of

1 ~~North Dakota department~~, loans may be made from the ~~revolving long-term care facility~~ loan
2 fund in accordance with ~~the provisions of~~ this chapter.

3 **SECTION 5. AMENDMENT.** Section 6-09.16-05 of the 1999 Supplement to the North
4 Dakota Century Code is amended and reenacted as follows:

5 **6-09.16-05. (~~Effective through June 30, 2001~~) Amount of loans - Terms and**
6 **conditions.** Loans in an amount not exceeding ~~eighty~~ ninety percent of project costs may be
7 made by the Bank of North Dakota from the fund maintained pursuant to this chapter. Such
8 loans must bear interest at a rate ~~determined by the Bank of North Dakota to be two~~
9 ~~percentage points less than the market rate for similar commercial loans, provided that no loan~~
10 ~~may bear interest at a rate less than one-half of one~~ two percent, ~~or more than seven percent,~~
11 of the outstanding principal balance of the loan. In consideration of the making of a loan under
12 this chapter, each borrower shall execute a contract with the department to operate the project
13 in accordance with standards established under chapter 50-30. The contract must also provide
14 that if the use of the project is discontinued or diverted to purposes other than those provided in
15 the loan application without written consent of the department, the full amount of the loan
16 provided under this chapter immediately becomes due and payable. The Bank of North Dakota
17 may annually deduct, as a service fee for administering the ~~revolving loan~~ fund maintained
18 under this chapter, one-half of one percent of the principal balance of the outstanding loans
19 from the ~~revolving~~ fund.

20 **SECTION 6. AMENDMENT.** Section 6-09.16-06 of the 1999 Supplement to the North
21 Dakota Century Code is amended and reenacted as follows:

22 **6-09.16-06. (~~Effective through June 30, 2001~~) Powers of Bank of North Dakota.**
23 The Bank of North Dakota may do all acts or things necessary to negotiate loans and preserve
24 security under this chapter, including the power to take such security as deemed necessary, to
25 exercise any right of redemption, and to bring suit in order to collect interest and principal due
26 the ~~revolving loan~~ fund under mortgages, contracts, and notes executed to obtain loans under
27 the provisions of this chapter. If the applicant's plan for financing provides for a loan of funds
28 from sources other than the state of North Dakota, the Bank of North Dakota may take a
29 subordinate security interest. The bank may recover from the ~~revolving~~ loan fund amounts
30 actually expended by it for legal fees and to effect a redemption.

1 **SECTION 7. AMENDMENT.** Section 23-09.3-01.1 of the 1999 Supplement to the
2 North Dakota Century Code is amended and reenacted as follows:

3 **23-09.3-01.1. Moratorium on expansion of basic care bed capacity.** Except when
4 ~~existing beds are converted for use by~~ nursing facilities are converting licensed nursing facility
5 bed capacity to basic care bed capacity or the alzheimer's and related dementia population
6 ~~under the pilot projects provided for in~~ established under section 50-06-14.4 are requesting
7 licensure of their existing beds as basic care bed capacity, or unless the applicant can
8 demonstrate to the department that a need for additional basic care bed capacity exists in the
9 immediate geographic area, the department may not issue a license under this chapter for any
10 additional bed capacity above the state's gross licensed capacity of one thousand four hundred
11 seventy-one beds, adjusted by any reduction in beds before July 31, ~~1999~~ 2001, during the
12 period between August 1, ~~1999~~ 2001, and July 31, ~~2004~~ 2003. Transfers of existing beds from
13 one municipality to another municipality must be approved if the licensing requirements are
14 met, during the period August 1, ~~1999~~ 2001, to July 31, ~~2004~~ 2003, only to the extent that for
15 each bed transfer approved the total number of licensed beds in the state is reduced by the
16 same number transferred. ~~Existing licensed beds released by a facility which are not~~
17 ~~immediately transferred to another facility may not be banked for future transfer to another~~
18 ~~facility.~~ A nursing facility may designate up to twenty percent of its licensed bed capacity as
19 both nursing care bed capacity and basic care bed capacity under rules promulgated by the
20 department. This designation as basic care bed capacity is not subject to the basic care bed
21 capacity limit.

22 **SECTION 8.** Section 23-27-04.5 of the North Dakota Century Code is created and
23 enacted as follows:

24 **23-27-04.5. (Effective through June 30, 2003) Quick-response unit service pilot**
25 **program.** The department shall create and implement a pilot program that creates incentives
26 for basic life support ambulance services and advanced life support ambulance services to
27 convert to quick-response unit services or create quick-response units in areas not already
28 served. During the first year of the program, a maximum of five new quick-response units may
29 receive a one-time five thousand dollar grant under this program and a maximum of twenty
30 converting ambulance services may receive grants in the amount of five thousand dollars each
31 year for a two-year period. During the second year of the program, the department shall

1 distribute any remaining funds to converting ambulance services or to ten additional newly
2 created quick-response units.

3 **SECTION 9.** A new chapter to title 43 of the North Dakota Century Code is created and
4 enacted as follows:

5 **Nursing facility nurses loan repayment program - State health council - Powers**
6 **and duties.** The state health council, in cooperation with the North Dakota long term care
7 association, shall administer the nursing facility nurses loan repayment program. The state
8 health council shall adopt rules necessary to administer the nursing facility nurses loan
9 repayment program.

10 **Nurse selection criteria - Eligibility for loan repayment program.**

- 11 1. The state health council shall adopt rules establishing criteria regarding nurse
12 selection for loan repayment funds under this chapter. The criteria must give
13 priority to nurses employed by rural facilities and must give priority to nurses with
14 previous long-term care experience.
- 15 2. In addition to meeting the selection criteria, an applicant for loan repayment under
16 this chapter shall establish that the applicant:
- 17 a. Is licensed as a nurse under chapter 43-12.1;
18 b. Is employed as a nurse by a licensed nursing facility; and
19 c. Has an outstanding education loan balance.

20 **Distribution of funds.** The state health council shall distribute funds to applicants who
21 meet the criteria standards and eligibility standards. The amount of repayment is based on the
22 amount of the outstanding balance of the educational loan on the date of application plus any
23 interest incurred during the period of repayment under this chapter. A nurse approved to
24 receive loan reimbursement under this chapter shall receive direct payments equal to:

- 25 1. Thirty percent of the amount of the outstanding balance of the loan on the date of
26 application plus the amount of any interest incurred since the date of application
27 after one year of employment following application;
- 28 2. Thirty percent of the amount of the outstanding balance of the loan on the date of
29 application plus the amount of any interest incurred since the first repayment after
30 two years of employment;

3. Twenty-five percent of the amount of the outstanding balance of the loan on the date of application plus the amount of any interest incurred since the second repayment after three years of employment following application; and

4. Fifteen percent of the amount of the outstanding balance of the loan on the date of application plus the amount of any interest incurred since the third repayment after four years of employment following application.

Nursing facility nurses loan repayment fund - Continuing appropriation. The nursing facility nurses loan repayment fund is created in the state treasury. The fund consists of revenue transferred from the North Dakota health care trust fund and interest earned on moneys in the fund. Moneys in the fund are appropriated and may be spent by the state health council for defraying the expenses of the nursing facility nurses loan repayment program in accordance with this chapter.

SECTION 10. AMENDMENT. Section 50-24.4-30 of the North Dakota Century Code is amended and reenacted as follows:

50-24.4-30. ~~(Effective through June 30, 2001)~~ Government nursing facility funding pool —Appropriations.

1. For purposes of this section:

a. "Fiscal period" means a twelve-month period determined by the department;
and

b. "~~Governmental~~ Government nursing facility" means ~~any~~ a nursing home administered by any political subdivision of this state for which a rate is set under this chapter.

2. The department shall establish a pool consisting of an amount annually calculated by multiplying the total of all resident days of all nursing homes during the fiscal period during which a resident was eligible for and received benefits under chapter 50-24.1 times an amount that does not exceed the amount that can reasonably be estimated to be paid under payment principles established under title XVIII of the Social Security Act [42 U.S.C. 1395; et seq.], reduced by the payment rates set for each such resident, for each such day, during the fiscal period.

- 1 3. In addition to any payment made pursuant to a rate set under this chapter, and
2 notwithstanding any other provision of this chapter, the department shall pay to
3 each ~~governmental~~ government nursing facility an amount determined by:
- 4 a. Dividing that facility's total inpatient days for the fiscal period by the total
5 inpatient days of all governmental nursing facilities for the fiscal period; and
6 b. Multiplying a decimal fraction determined under subdivision a times the pool
7 amount determined under subsection 2.
- 8 4. Each ~~governmental~~ government nursing facility, ~~immediately upon~~ within one
9 business day of receiving a payment under subsection 3, shall remit the amount of
10 that payment, less a ~~ten~~ fifty thousand dollar transaction fee, to the state treasurer
11 for credit to:
- 12 a. The North Dakota health care trust fund in an amount equal to the federal
13 medical assistance percentage for the fiscal period times the total remittance
14 to the state treasurer, less ~~ten~~ fifty thousand dollars; and
15 b. The general fund for all remaining amounts. The amounts deposited in the
16 general fund are to be considered the first moneys spent pursuant to
17 legislative appropriations for medical assistance or medical assistance-related
18 expenses.
- 19 5. A government nursing facility is not entitled to receive transaction fees totaling
20 more than fifty thousand dollars during any calendar year. Each government
21 nursing facility shall use its transaction fee revenues for long-term care-related
22 services.
- 23 6. Notwithstanding any other provision of this code, or of any ordinance or code
24 governing the operation of a ~~governmental~~ government nursing facility, a
25 ~~governmental~~ government nursing facility is ~~authorized~~ entitled to receive and,
26 upon receipt, is required to remit payments provided under this section.
- 27 6- 7. No payment is required under this section for any period in which the funds
28 otherwise appropriated under subdivision b of subsection 7 ~~8~~ are unavailable due
29 to action by the secretary of the United States department of health and human
30 services.

7. 8. The department of human services, subject to legislative appropriation, may make the payments described in subsection 3 for the pool amount annually determined under subsection 2, as follows:

- a. From special funds derived from federal funds and other income, the pool amount determined under subsection 2 reduced by the amount determined under subdivision b; and
- b. From the general fund, the "state percentage" as that term is used in defining the term "federal medical assistance percentage" for purposes of title XIX of the Social Security Act [42 U.S.C. 1396; et seq.], multiplied times the pool amount determined under subsection 2.

SECTION 11. AMENDMENT. Section 50-30-01 of the North Dakota Century Code is amended and reenacted as follows:

50-30-01. (~~Effective through June 30, 2001~~ — See notes) Definitions. For purposes of this chapter:

1. ~~"Alternative to nursing facility care" means services described in the home and community-based services waiver for aged persons under medical assistance.~~
2. "Assisted living facility" has the meaning provided in section 50-24.5-01, but if the term is not defined in that section, the term means a facility that:
 - a. Makes response staff available at all times;
 - b. Provides housing and:
 - (1) Congregate meals;
 - (2) Kitchen facilities in each resident's living quarters; or
 - (3) Any combination of congregate meals and kitchen facilities in each resident's living quarters sufficient to assure each resident adequate access to meals;
 - c. Assures provision of:
 - (1) Personal care, therapeutic care, and social and recreational programming;
 - (2) Supervision, safety, and security;
 - (3) Medication services; and
 - (4) Transportation services;

- d. Fosters dignity, respect, and independence by allowing, to the maximum extent feasible, each resident to determine the resident's service providers, routines of care provision, and service delivery; and
- e. Services five or more adult residents, unrelated to the proprietor, on a specified premises not licensed under chapter 23-20 or 25-16, which meets the requirements of the national fire protection association 101 Life Safety Code, as applicable.

~~3.~~ 2. "Basic care facility" has the meaning provided in section 23-09.3-01.

~~4.~~ "Conversion" means:

- a. ~~The remodeling of existing space and, if necessary, the construction of additional space required to accommodate basic care facility services, assisted living facility services, or other alternatives to nursing facility care; or~~
- b. ~~New construction of a basic care facility, assisted living facility, or other alternative to nursing facility care if existing nursing facility beds are no longer licensed and the department determines that new construction is more cost effective than the conversion of existing space.~~

~~5.~~ 3. "Department" means the department of human services.

~~6.~~ 4. "Medical assistance" means a program established under title XIX of the Social Security Act [42 U.S.C. 1396; et seq.] and chapter 50-24.1.

~~7.~~ 5. "Nursing facility" has the same meaning as provided in section 50-24.4-01 for the term "nursing home".

SECTION 12. AMENDMENT. Section 50-30-02 of the North Dakota Century Code is amended and reenacted as follows:

50-30-02. ~~(Effective through June 30, 2001—See notes)~~ North Dakota health care trust fund created - Appropriation Uses - Continuing appropriation. There is hereby created in the state treasury a special fund known as the North Dakota health care trust fund. The fund ~~shall include~~ consists of revenue received from ~~governmental~~ government nursing facilities for remittance to the fund under section 50-24.4-30. The department shall administer the fund and shall adopt procedures for participation by ~~governmental~~ government nursing facilities. ~~All moneys designated for the fund from whatever source derived must be deposited with the state treasurer in the North Dakota health care trust fund.~~ The state treasurer shall

invest such funds in interest-bearing accounts, as designated by the department, and the interest earned must be deposited in the North Dakota health care trust fund. All moneys deposited in the North Dakota health care trust fund are available to the department, ~~subject to legislative appropriation, for disbursement pursuant to the requirements of this chapter.;~~

1. Transfer to the long-term care facility loan fund, as authorized by legislative appropriation, for making loans pursuant to the requirements of this chapter.
2. Payment, as authorized by legislative appropriation, of costs of other programs authorized by the legislative assembly.
3. Repayment of federal funds, which are appropriated and may be spent if the United States department of health and human services determines that funds were inappropriately claimed under section 50-24.4-30.

SECTION 13. AMENDMENT. Section 50-30-04 of the North Dakota Century Code is amended and reenacted as follows:

50-30-04. ~~(Effective through June 30, 2001—See notes)~~ Department to award grants or make loan guarantees Long-term care facility loans.

1. The department may ~~award grants from the nursing facility alternative grant fund or~~ approve loans from the nursing long-term care facility alternative loan fund established under chapter 6-09.16 for ~~capital or one-time expenditures, including startup and training expenses and operating losses for the first year:~~
 - a. ~~To any~~ Construction or renovation projects involving a nursing facility which has been approved for at least three years as a provider under the medical assistance program to convert all or a portion of the facility licensed to provide such care to a, basic care facility, or assisted living facility, ~~or other alternative to nursing facility care;~~ or
 - b. ~~To any other entity meeting conditions established by the department to develop a basic care facility, assisted living facility, or other alternative to nursing facility care.~~ Technology projects relating to the delivery of long-term care or medical care.
2. ~~A nursing facility or other entity may be eligible for a grant or loan only if the basic care facility, assisted living facility, or other alternative to nursing facility care is located in an underserved area as determined by the department.~~

3. ~~To be eligible for a grant or loan under this section, the nursing facility or other entity approved by the department shall provide at least twenty percent of the total cost of any conversion. The department shall establish policies and procedures for certification of the required matching funds. The department's share of the total cost of any conversion project is limited to one million dollars or eighty ninety percent of the project cost, whichever is less.~~

4. ~~The department shall annually establish a calendar for receiving and evaluating proposals and awarding grants or approving loans.~~

5. ~~No grant or loan application may be approved by the department unless the applicant can demonstrate that:~~

a. ~~Conversion of the nursing facility or portion of the facility to a basic care facility, assisted living facility, or other alternative to nursing facility care may offer efficient and economical care to individuals requiring long term care services in the area;~~

b. ~~Basic care, assisted living services, or other alternatives to nursing facility care are unlikely to be available in the area for individuals eligible for services under the medical assistance program; and~~

c. ~~The resulting reduction in the availability of nursing facility service is not expected to cause undue hardship on those individuals requiring nursing facility services.~~

3. The department shall give preference for loan approval to an applicant that is converting nursing facility bed capacity to basic care bed capacity.

6. 4. ~~No grant may be awarded or loan may be approved unless the applicant agrees:~~

a. ~~To maintain a minimum occupancy rate by individuals eligible for supplemental security income benefits provided under title XVI of the Social Security Act [42 U.S.C. 1382, et seq.]; and~~

b. ~~To refund to repay to the nursing facility alternative grant fund or the nursing long-term care facility alternative loan fund, on an amortized basis, the amount outstanding balance of the grant or loan and any accrued interest if the applicant or its successor in interest ceases to operate a basic care facility, assisted living facility, or other alternative to nursing facility care the~~

1 project or facility financed by the loan proceeds during the ten-year period
2 after the date the applicant began operation of ~~its~~ the project or facility as a
3 ~~basic care facility, assisted living facility, or other alternative to nursing facility~~
4 ~~care ceases to maintain the agreed minimum occupancy rate or fails to~~
5 commence operations within a reasonable time.

6 7. 5. In addition to other remedies provided by law or contract, the department may
7 deduct the amount of any refund due from a recipient of ~~grant or a loan guarantee~~
8 ~~funds~~ from any money owed by the department to such recipient or the recipient's
9 successor in interest.

10 **SECTION 14. NURSING FACILITY ALTERNATIVE GRANT FUND - TRANSFER -**
11 **GRANTS ADMINISTRATION.** The state treasurer shall transfer any remaining balance in the
12 nursing facility alternative grant fund on June 30, 2001, to the health care trust fund. The
13 department of human services may continue making grant payments relating to grants
14 approved during the 1999-2001 biennium under the nursing facility alternative grant fund. The
15 department may spend moneys in the health care trust fund pursuant to legislative
16 appropriations for the purpose of making these grant payments, for the biennium beginning
17 July 1, 2001, and ending June 30, 2003.

18 **SECTION 15. NURSING FACILITY ALTERNATIVE LOANS - 1999-2001 BIENNIUM -**
19 **INTEREST RATE ADJUSTMENT.** The Bank of North Dakota and the department of human
20 services shall adjust the rate of interest charged on nursing facility alternative loans approved
21 during the biennium beginning July 1, 1999, and ending June 30, 2001, to a rate equivalent to
22 two percent effective July 1, 2001, taking into consideration any grants approved in conjunction
23 with the loan.

24 **SECTION 16. APPROPRIATION - GOVERNMENT NURSING FACILITY FUNDING**
25 **POOL.** The funds provided in this section, or so much of the funds as may be necessary, are
26 appropriated out of any moneys in the general fund in the state treasury, not otherwise
27 appropriated, and from special funds derived from federal funds, to the department of human
28 services for the purpose of making government nursing facility funding pool payments under
29 section 50-24.4-30, for the biennium beginning July 1, 2001, and ending June 30, 2003.

1	Total all funds	\$26,700,000
2	Less estimated income	<u>18,700,000</u>
3	Total general fund appropriation	\$8,000,000

4 **SECTION 17. ADDITIONAL GOVERNMENT NURSING FACILITY FUNDING POOL**

5 **PAYMENTS - CONTINUING APPROPRIATION - GENERAL FUND REPAYMENT.** Any

6 estimated income in excess of the \$18,700,000 appropriated in section 16 of this Act which
7 becomes available based on the calculation provided for in section 50-24.4-30 is appropriated
8 and may be spent by the department of human services for the purpose of making the
9 additional government nursing facility fund pool payments for the biennium beginning July 1,
10 2001, and ending June 30, 2003. Any additional state matching funds required are
11 appropriated and may be spent from the general fund by the department of human services for
12 the purpose of making the additional payments, for the biennium beginning July 1, 2001, and
13 ending June 30, 2003. Any general fund amounts spent pursuant to this section must be
14 returned to the general fund within two days.

15 **SECTION 18. APPROPRIATION - 1999-2001 BIENNIUM GOVERNMENT NURSING**
16 **FACILITY TRANSACTION FEE.** There is appropriated out of any moneys in the health care
17 trust fund in the state treasury, not otherwise appropriated, the sum of \$800,000, or so much of
18 the sum as may be necessary, to the department of human services for the purpose of making
19 an additional transaction fee payment to the government nursing facilities, for the period
20 beginning with the effective date of this Act and ending June 30, 2001. Notwithstanding section
21 50-24.4-30, the department of human services shall make a transaction fee payment of
22 \$400,000 to the government nursing facility in Dunseith and a transaction fee payment of
23 \$400,000 to the government nursing facility in McVile by June 30, 2001. The additional
24 payment relates to government facility funding pool payments made before the effective date of
25 this Act. Each government nursing facility shall use its transaction fee revenue for long-term
26 care-related services.

27 **SECTION 19. APPROPRIATION - LONG-TERM CARE FACILITY LOANS.** There is
28 appropriated out of any moneys in the health care trust fund in the state treasury, not otherwise
29 appropriated, the sum of \$35,000,000, or so much of the sum as may be necessary, to the
30 department of human services for the purpose of making transfers to the long-term care facility
31 loan fund for loans approved under chapter 50-30, for the biennium beginning July 1, 2001, and

1 ending June 30, 2003. Of the amounts available in the health care trust fund for loans, the
2 department of human services may not approve loans for technology projects that exceed an
3 aggregate total of \$3,000,000, for the biennium beginning July 1, 2001, and ending June 30,
4 2003.

5 **SECTION 20. APPROPRIATION - NURSING HOME BED REDUCTION.** There is
6 appropriated out of any moneys in the health care trust fund in the state treasury, not otherwise
7 appropriated, the sum of \$4,100,000, or so much of the sum as may be necessary, to the
8 department of human services for the purpose of providing incentives to nursing homes to
9 reduce licensed nursing facility bed capacity for the biennium beginning July 1, 2001, and
10 ending June 30, 2003. The department of human services may pay incentives of up to \$10,000
11 per bed to nursing facilities that reduce licensed nursing facility bed capacity by at least eight
12 beds and incentives of up to \$2,500 per bed to nursing facilities that reduce licensed nursing
13 facility bed capacity by fewer than eight beds.

14 **SECTION 21. APPROPRIATION - NURSING HOME COMPENSATION**
15 **ENHANCEMENT.** There is appropriated out of any moneys in the health care trust fund in the
16 state treasury, not otherwise appropriated, the sum of \$8,189,054, or so much of the sum as
17 may be necessary, and from special funds derived from federal funds the sum of \$19,107,793,
18 or so much of the sum as may be necessary, to the department of human services for the
19 purpose of providing salary and benefit enhancements to nursing facility employees, or if a
20 facility is combined with a hospital, to nursing facility and hospital employees, for the biennium
21 beginning July 1, 2001, and ending June 30, 2003. The department of human services shall
22 increase nursing facility payment rates to provide for these increases beginning July 1, 2001.

23 **SECTION 22. APPROPRIATION - BASIC CARE COMPENSATION ENHANCEMENT.**
24 There is appropriated out of any moneys in the health care trust fund in the state treasury, not
25 otherwise appropriated, the sum of \$202,080, or so much of the sum as may be necessary, and
26 from special funds derived from federal funds the sum of \$471,520, or so much of the sum as
27 may be necessary, to the department of human services for the purpose of providing salary and
28 benefit enhancements to basic care facility employees, for the biennium beginning July 1, 2001,
29 and ending June 30, 2003. The department of human services shall increase basic care facility
30 payment rates to provide for these increases beginning July 1, 2001.

1 **SECTION 23. APPROPRIATION - NURSING HOME REBASING.** There is
2 appropriated out of any moneys in the health care trust fund in the state treasury, not otherwise
3 appropriated, the sum of \$1,165,303, or so much of the sum as may be necessary, and from
4 special funds derived from federal funds, the sum of \$2,719,040, or so much of the sum as may
5 be necessary, to the department of human services for the purpose of recognizing increased
6 costs as a result of rebasing nursing facility limits based on cost reports for the year ending
7 June 30, 2000, for the period beginning January 1, 2002, and ending June 30, 2003.

8 **SECTION 24. APPROPRIATION - PERSONAL CARE ALLOWANCE FOR NURSING**
9 **FACILITY RESIDENTS.** There is appropriated out of any moneys in the health care trust fund
10 in the state treasury, not otherwise appropriated, the sum of \$266,400, or so much of the sum
11 as may be necessary, and from special funds derived from federal funds, the sum of \$621,600,
12 or so much of the sum as may be necessary, to the department of human services for the
13 purpose of increasing the personal care allowance for nursing home residents by \$10 per
14 month, from \$40 to \$50 per month, for the period beginning January 1, 2002, and ending
15 June 30, 2003.

16 **SECTION 25. APPROPRIATION - PERSONAL CARE ALLOWANCE FOR BASIC**
17 **CARE RESIDENTS.** There is appropriated out of any moneys in the health care trust fund in
18 the state treasury, not otherwise appropriated, the sum of \$180,000, or so much of the sum as
19 may be necessary, to the department of human services for the purpose of increasing the
20 personal care allowance for basic care residents by \$15 per month, from \$45 to \$60 per month,
21 for the biennium beginning July 1, 2001, and ending June 30, 2003.

22 **SECTION 26. APPROPRIATION - LONG-TERM CARE NEEDS STUDY.** There is
23 appropriated out of any moneys in the health care trust fund in the state treasury, not otherwise
24 appropriated, the sum of \$241,006, or so much of the sum as may be necessary, to the
25 department of human services for the purpose of conducting a statewide needs assessment
26 study for long-term care, for the biennium beginning July 1, 2001, and ending June 30, 2003.

27 **SECTION 27. TRANSFER - NURSING FACILITY NURSES LOAN REPAYMENT**
28 **FUND.** The office of management and budget shall transfer \$1,000,000 from the health care
29 trust fund to the nursing facility nurses loan repayment fund on July 1, 2001.

30 **SECTION 28. APPROPRIATION - QUICK-RESPONSE UNIT SERVICE PILOT**
31 **PROGRAM.** There is appropriated out of any moneys in the health care trust fund in the state

1 treasury, not otherwise appropriated, the sum of \$225,000, or so much of the sum as may be
2 necessary, to the state department of health for the purpose of funding the quick-response unit
3 service pilot program, for the biennium beginning July 1, 2001, and ending June 30, 2003.

4 **SECTION 29. APPROPRIATION - TRAINING GRANTS.** There is appropriated out of
5 any moneys in the health care trust fund in the state treasury, not otherwise appropriated, the
6 sum of \$140,000, or so much of the sum as may be necessary, to the department of human
7 services for the purpose of providing grants to organizations for training qualified service
8 providers, for the biennium beginning July 1, 2001, and ending June 30, 2003. A qualified
9 service provider means a county agency or independent contractor that agrees to meet
10 standards for services and operations established by the department of human services for the
11 provision of services to individuals receiving long-term care services in a home or
12 community-based setting.

13 **SECTION 30. HEALTH CARE TRUST FUND - MINIMUM BALANCE REQUIRED.**
14 Except for making payments under subsection 3 of section 50-30-02, the state treasurer may
15 not allow expenditures or transfers from the health care trust fund that would reduce the
16 unobligated balance in the fund below \$13,000,000 until the director of the department of
17 human services certifies to the state treasurer that the federal health care financing
18 administration's claim for the return of \$13,000,000 of the state's first-year payment has been
19 resolved, for the period beginning with the effective date of this Act and ending June 30, 2003.

20 **SECTION 31. DEPARTMENT OF HUMAN SERVICES - EMERGENCY**
21 **RULEMAKING AUTHORITY.** Notwithstanding subsection 6 of section 28-32-02, the
22 department of human services may adopt interim final rules to implement this Act for the
23 biennium beginning with the effective date of this Act and ending June 30, 2003. The
24 department shall take appropriate measures to make the interim final rules known to every
25 person who may be affected by them. The interim final rules are ineffective one hundred eighty
26 days after its declared effective date unless first adopted as final rules.

27 **SECTION 32. EXPIRATION DATE.** Section 7 of this Act is effective through July 31,
28 2003, and after that date is ineffective.

29 **SECTION 33. EMERGENCY.** Sections 18, 30, and 31 of this Act are declared to be an
30 emergency measure.