

**FIRST ENGROSSMENT
with Conference Committee Amendments
ENGROSSED SENATE BILL NO. 2097**

Introduced by

Human Services Committee

(At the request of the Department of Human Services)

1 A BILL for an Act to amend and reenact subsection 1 of section 50-24.4-23 and section
2 50-24.4-08 of the North Dakota Century Code, relating to reporting requirements for nursing
3 homes.

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

5 **SECTION 1. AMENDMENT.** Subsection 1 of section 50-24.4-23 of the North Dakota
6 Century Code is amended and reenacted as follows:

- 7 1. No later than October first of each year, each nursing home ~~which~~ that receives
8 medical assistance payments from the department shall:
- 9 a. ~~Provide~~ Except for state-owned facilities, provide the department with a copy
10 of its audited report that meets the reporting standards of the American
11 institute of certified public accountants and includes an audited statement of
12 the rate or rates charged to private-paying residents. The examination by the
13 certified public accountant must be conducted in accordance with generally
14 accepted auditing standards as promulgated and adopted by the American
15 institute of certified public accountants;
- 16 b. Provide the department with a statement of ownership for the facility or a
17 certification that ownership has not changed since the most recent statement
18 given pursuant to this subsection;
- 19 c. Provide the department with ~~separate~~, audited financial statements as
20 specified in subdivision a of this subsection for every other facility owned in
21 whole or in part by an individual or entity which has an ownership interest in
22 the facility;
- 23 d. Upon request, provide the department with ~~separate~~, audited financial
24 statements as specified in subdivision a of this subsection for every

organization with which the facility conducts business and which is owned in whole or in part by an individual or entity which has an ownership interest in the facility;

- e. Provide the department with copies of leases, purchase agreements, appraisals, financing arrangements, and other documents related to the lease or purchase of the nursing facility, or a certification that the content of any such document remains unchanged since the most recent statement given pursuant to this subsection;
- f. Upon request, provide the department with copies of leases, purchase agreements, and other documents related to the acquisition of equipment, goods, and services which are claimed as allowable costs; and
- g. Permit access by the department to the certified public accountant's audit workpapers which support the audited financial statements required in subdivisions a, c, and d of this subsection.

SECTION 2. AMENDMENT. Section 50-24.4-08 of the North Dakota Century Code is amended and reenacted as follows:

50-24.4-08. Notice of increases to private-paying residents. No increase in nursing home rates for private-paying residents is effective unless the nursing home notifies the resident or person responsible for payment of the increase in writing thirty days before the increase takes effect. A nursing home may adjust its rates without giving the notice required by this section when the purpose of the rate adjustment is to reflect a necessary change in the category of care provided to a resident. If the department fails to set rates at least forty days prior to the beginning of a rate year, the time required for giving notice is decreased by the number of days by which the department was late in setting the rates, except when a facility fails to file a cost report by October first.