

**FIRST ENGROSSMENT  
with House 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 of the North Dakota  
2 Century Code, relating to reporting requirements for nursing homes.

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

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

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

- 1 whole or in part by an individual or entity which has an ownership interest in  
2 the facility;
- 3 e. Provide the department with copies of leases, purchase agreements,  
4 appraisals, financing arrangements, and other documents related to the lease  
5 or purchase of the nursing facility, or a certification that the content of any  
6 such document remains unchanged since the most recent statement given  
7 pursuant to this subsection;
- 8 f. Upon request, provide the department with copies of leases, purchase  
9 agreements, and other documents related to the acquisition of equipment,  
10 goods, and services which are claimed as allowable costs; and
- 11 g. Permit access by the department to the certified public accountant's audit  
12 workpapers which support the audited financial statements required in  
13 subdivisions a, c, and d of this subsection.