

**HOUSE BILL NO. 1196**

Introduced by

Representatives Devlin, Boucher, Severson

Senators Andrist, Fischer, Solberg

1 A BILL for an Act to amend and reenact sections 6-09.16-01, 6-09.16-02, 6-09.16-03,  
2 6-09.16-04, 6-09.16-05, 6-09.16-06, 50-24.4-30, 50-30-01, 50-30-02, and 50-30-04 of the North  
3 Dakota Century Code, relating to the nursing facility alternative loan fund, the government  
4 nursing facility funding pool, and nursing facility or developmental disability facility loans; to  
5 provide for a transfer from the nursing facility alternative grant fund; to provide a continuing  
6 appropriation; to provide an appropriation; and to declare an emergency.

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

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

10 **6-09.16-01. (~~Effective through June 30, 2001~~) Definitions.** Terms defined in chapter  
11 50-30 have the same meaning when used in this chapter.

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

14 **6-09.16-02. (~~Effective through June 30, 2001~~) Revolving Long-term care facility**  
15 **loan fund - ~~Appropriation~~ Continuing appropriation.** A revolving loan fund must be

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

- 17 1. Nursing facilities; or basic care facilities; ~~assisted living facilities; or other entities~~  
18 providing alternatives to nursing facility care; to encourage and support conversion  
19 of nursing facilities for construction or renovation projects or for projects providing  
20 an alternative to nursing facility care.  
21 2. Assisted living facilities or other entities for projects providing an alternative to  
22 nursing facility care.

1           3.   Intermediate care facilities for the mentally retarded for refinance purposes or for  
2                   renovation projects associated with providing less restrictive care to persons with  
3                   developmental disabilities.

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

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

9           **6-09.16-03. (~~Effective through June 30, 2001~~) Nursing Long-term care facility**  
10 **alternative loan fund.**

11           1.   There is hereby created a ~~nursing~~ long-term care facility alternative loan fund. The  
12 fund ~~shall include~~ consists of revenue transferred from the North Dakota health  
13 care trust fund, interest upon moneys in the fund, and collections of interest and  
14 principal on loans made from the fund.

15           2.   The Bank of North Dakota shall administer the loan fund. Funds in the loan fund  
16 may be used for:

17           a.   Loans as provided in this chapter and as approved by the department under  
18 chapter 50-30; and

19           b.   The costs of administration of the fund; ~~and~~

20           e.   ~~Repayment of federal funds if the United States department of health and~~  
21 ~~human services determines that funds were inappropriately claimed under~~  
22 ~~section 50-24.4-30.~~

23           3.   Any money in the fund not required for use under subsection 2 must be transferred  
24 to the North Dakota health care trust fund.

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

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

1 approve or reject all loan applications forwarded to the Bank by the department. For  
2 applications approved by the Bank and upon final approval of the application by the Bank of  
3 North Dakota department, loans may be made from the revolving long-term care facility loan  
4 fund in accordance with the provisions of this chapter.

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

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

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

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

1 security interest. The bank may recover from the ~~revolving~~ loan fund amounts actually  
2 expended by it for legal fees and to effect a redemption.

3 **SECTION 7. AMENDMENT.** Section 50-24.4-30 of the 1999 Supplement to the North  
4 Dakota Century Code is amended and reenacted as follows:

5 **50-24.4-30. (~~Effective through June 30, 2001~~) Government nursing facility funding**  
6 **pool –Appropriations.**

- 7 1. For purposes of this section:
- 8 a. "Fiscal period" means a twelve-month period determined by the department;  
9 and
- 10 b. "~~Governmental~~ Government nursing facility" means ~~any a~~ a nursing home  
11 ~~administered owned by any political subdivision of this state either the city of~~  
12 Dunseith or the city of McVille for which a rate is set under this chapter.
- 13 2. The department shall establish a pool consisting of an amount annually calculated  
14 by multiplying the total of all resident days of all nursing homes during the fiscal  
15 period during which a resident was eligible for and received benefits under chapter  
16 50-24.1 times an amount that does not exceed the amount that can reasonably be  
17 estimated to be paid under payment principles established under title XVIII of the  
18 Social Security Act [42 U.S.C. 1395; et seq.], reduced by the payment rates set for  
19 each such resident, for each such day, during the fiscal period.
- 20 3. In addition to any payment made pursuant to a rate set under this chapter, and  
21 notwithstanding any other provision of this chapter, the department shall pay to  
22 each ~~governmental~~ government nursing facility an amount determined by:
- 23 a. Dividing that facility's total inpatient days for the fiscal period by the total  
24 inpatient days of ~~all governmental~~ both government nursing facilities for the  
25 fiscal period; and
- 26 b. Multiplying a decimal fraction determined under subdivision a times the pool  
27 amount determined under subsection 2.
- 28 4. Each ~~governmental~~ government nursing facility, immediately upon receiving a  
29 payment under subsection 3, shall remit the amount of that payment, less a ~~ten~~  
30 one hundred thousand dollar transaction fee, to the state treasurer for credit to:

- 1           a.    The North Dakota health care trust fund in an amount equal to the federal  
2                    medical assistance percentage for the fiscal period times the total remittance  
3                    to the state treasurer, less ~~ten~~ one hundred thousand dollars; and
- 4           b.    The general fund for all remaining amounts. The amounts deposited in the  
5                    general fund are to be considered the first moneys spent pursuant to  
6                    legislative appropriations for medical assistance or medical assistance-related  
7                    expenses.
- 8           5.    A government nursing facility is not entitled to receive transaction fees totaling  
9                    more than one hundred thousand dollars during any calendar year. Each  
10                  government nursing facility shall use its transaction fee revenues for long-term  
11                  care-related services.
- 12           6.    Notwithstanding any other provision of this code, or of any ordinance or code  
13                  governing the operation of a ~~governmental~~ government nursing facility, a  
14                  ~~governmental~~ government nursing facility is ~~authorized~~ entitled to receive and,  
15                  upon receipt, is required to remit payments provided under this section.
- 16       ~~6-~~ 7.    No payment is required under this section for any period in which the funds  
17                  otherwise appropriated under subdivision b of subsection 7 ~~8~~ are unavailable due  
18                  to action by the secretary of the United States department of health and human  
19                  services.
- 20       ~~7-~~ 8.    The department of human services, subject to legislative appropriation, may make  
21                  the payments described in subsection 3 for the pool amount annually determined  
22                  under subsection 2, as follows:
- 23                  a.    From special funds derived from federal funds and other income, the pool  
24                          amount determined under subsection 2 reduced by the amount determined  
25                          under subdivision b; and
- 26                  b.    From the general fund, the "state percentage" as that term is used in defining  
27                          the term "federal medical assistance percentage" for purposes of title XIX of  
28                          the Social Security Act [42 U.S.C. 1396; et seq.], multiplied times the pool  
29                          amount determined under subsection 2.

30           **SECTION 8. AMENDMENT.** Section 50-30-01 of the North Dakota Century Code is  
31    amended and reenacted as follows:

1           **50-30-01. (~~Effective through June 30, 2001—See notes~~) Definitions.** For purposes  
2 of this chapter:

- 3           1. "Alternative to nursing facility care" means services described in the home and  
4           community-based services waiver for aged persons under medical assistance.
- 5           2. "Assisted living facility" has the meaning provided in section 50-24.5-01, ~~but if the~~  
6           ~~term is not defined in that section, the term means a facility that:~~
- 7           ~~a. Makes response staff available at all times;~~
- 8           ~~b. Provides housing and:~~
- 9                 ~~(1) Congregate meals;~~
- 10                ~~(2) Kitchen facilities in each resident's living quarters; or~~
- 11                ~~(3) Any combination of congregate meals and kitchen facilities in each~~  
12                ~~resident's living quarters sufficient to assure each resident adequate~~  
13                ~~access to meals;~~
- 14           ~~e. Assures provision of:~~
- 15                 ~~(1) Personal care, therapeutic care, and social and recreational~~  
16                 ~~programming;~~
- 17                 ~~(2) Supervision, safety, and security;~~
- 18                 ~~(3) Medication services; and~~
- 19                 ~~(4) Transportation services;~~
- 20           ~~d. Fosters dignity, respect, and independence by allowing, to the maximum~~  
21           ~~extent feasible, each resident to determine the resident's service providers,~~  
22           ~~routines of care provision, and service delivery; and~~
- 23           ~~e. Services five or more adult residents, unrelated to the proprietor, on a~~  
24           ~~specified premises not licensed under chapter 23-20 or 25-16, which meets~~  
25           ~~the requirements of the national fire protection association 101 Life Safety~~  
26           ~~Code, as applicable.~~
- 27           3. "Basic care facility" has the meaning provided in section 23-09.3-01.
- 28           4. "Conversion" means:
- 29           ~~a. The remodeling of existing space and, if necessary, the construction of~~  
30           ~~additional space required to accommodate basic care facility services,~~  
31           ~~assisted living facility services, or other alternatives to nursing facility care; or~~

1           b. ~~New construction of a basic care facility, assisted living facility, or other~~  
2           ~~alternative to nursing facility care if existing nursing facility beds are no longer~~  
3           ~~licensed and the department determines that new construction is more cost~~  
4           ~~effective than the conversion of existing space.~~

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

6           5. "Intermediate care facility for the mentally retarded" means a residential health  
7           facility licensed under chapter 25-16 and operated pursuant to regulation under  
8           title 42, Code of Federal Regulations, parts 442 and 483 et seq.

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

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

13          **SECTION 9. AMENDMENT.** Section 50-30-02 of the North Dakota Century Code is  
14          amended and reenacted as follows:

15          **50-30-02. ~~(Effective through June 30, 2001—See notes)~~ North Dakota health care**  
16          **trust fund created - ~~Appropriation~~ Uses - Continuing appropriation.** There is hereby  
17          created in the state treasury a special fund known as the North Dakota health care trust fund.  
18          The fund ~~shall include~~ consists of revenue received from ~~governmental~~ government nursing  
19          facilities for remittance to the fund under section 50-24.4-30. The department shall administer  
20          the fund and shall adopt procedures for participation by ~~governmental~~ government nursing  
21          facilities. ~~All moneys designated for the fund from whatever source derived must be deposited~~  
22          ~~with the state treasurer in the North Dakota health care trust fund.~~ The state treasurer shall  
23          invest such funds in interest-bearing accounts, as designated by the department, and the  
24          interest earned must be deposited in the North Dakota health care trust fund. All moneys  
25          deposited in the North Dakota health care trust fund are available to the department, ~~subject to~~  
26          ~~legislative appropriation, for disbursement pursuant to the requirements of this chapter.;~~

27          1. Transfer to the long-term care facility loan fund, as authorized by legislative  
28          appropriation, for making loans pursuant to the requirements of this chapter.

29          2. Payment, as authorized by legislative appropriation, of costs of other programs  
30          authorized by the legislative assembly.

1           3.   Repayment of federal funds, which are appropriated and may be spent if the  
2                    United States department of health and human services determines that funds  
3                    were inappropriately claimed under section 50-24.4-30.

4           **SECTION 10. AMENDMENT.** Section 50-30-04 of the North Dakota Century Code is  
5 amended and reenacted as follows:

6           **50-30-04. (~~Effective through June 30, 2001—See notes~~) Department to award**  
7 **~~grants or make loan guarantees~~ Long-term care facility loans.**

8           1.   The department may ~~award grants from the nursing facility alternative grant fund or~~  
9                    approve loans from the ~~nursing~~ long-term care facility ~~alternative~~ loan fund  
10                   established under chapter 6-09.16 for ~~capital or one-time expenditures, including~~  
11                   ~~startup and training expenses and operating losses for the first year:~~

12           a.   ~~To any~~ Construction or renovation projects or projects providing an alternative  
13                    to nursing facility care involving a nursing facility which has been approved for  
14                    at least three years as a provider under the medical assistance program to  
15                    convert all or a portion of the facility licensed to provide such care to a or  
16                    basic care facility, assisted living facility, or other alternative to nursing facility  
17                    care; or

18           b.   ~~To any other entity meeting conditions established by the department to~~  
19                    ~~develop a basic care facility, assisted living facility, or other alternative to~~  
20                    ~~nursing facility care.~~ Projects providing an alternative to nursing facility care  
21                    involving an assisted living facility or other entity; or

22           c.   Refinance purposes or renovation projects involving an intermediate care  
23                    facility for the mentally retarded providing less restrictive residential care  
24                    services to persons with developmental disabilities.

25           2.   ~~A nursing facility or other entity may be eligible for a grant or loan only if the basic~~  
26                    ~~care facility, assisted living facility, or other alternative to nursing facility care is~~  
27                    ~~located in an underserved area as determined by the department.~~

28           ~~3.~~   To be eligible for a ~~grant or~~ loan under this section, the nursing facility,  
29                    intermediate care facility for the mentally retarded, basic care facility, assisted  
30                    living facility, or other entity approved by the department shall provide at least  
31                    ~~twenty~~ ten percent of the total cost of any ~~conversion~~ project. The department

- 1 shall establish policies and procedures for certification of the required matching  
2 funds. The department's share of the total cost of any ~~conversion project~~ is limited  
3 to one million dollars or ~~eighty~~ ninety percent of the project cost, whichever is less.
- 4 ~~4.~~ 3. The department shall annually establish a calendar for receiving and evaluating  
5 proposals and ~~awarding grants or~~ approving loans.
- 6 ~~5.~~ 4. ~~No grant or loan application may be approved by the~~ The department may not  
7 approve a loan application for a project providing an alternative to nursing facility  
8 care unless the applicant can demonstrate that:
- 9 a. ~~Conversion of the nursing facility or portion of the facility to a basic care~~  
10 ~~facility, assisted living facility, or other alternative to nursing facility care may~~  
11 ~~offer efficient and economical care to individuals requiring long term care~~  
12 ~~services in the area;~~
- 13 b. ~~Basic care, assisted living services, or other alternatives to nursing facility~~  
14 ~~care are unlikely to be available in the area for individuals eligible for services~~  
15 ~~under the medical assistance program; and~~
- 16 c. ~~The resulting reduction in the availability of nursing facility service is not~~  
17 ~~expected to cause undue hardship on those individuals requiring nursing~~  
18 ~~facility services~~ the specified number of beds as determined by the  
19 department relating to the project are committed for occupancy.
- 20 5. Except for loan applications submitted by intermediate care facilities for the  
21 mentally retarded, the department shall give preference for loan approval to an  
22 applicant that can demonstrate a reduction of licensed nursing facility bed capacity.
- 23 6. ~~No grant may be awarded or loan~~ may be approved unless the applicant agrees:
- 24 a. ~~To maintain a minimum occupancy rate by~~ make available services at a level  
25 as determined by the department for individuals eligible for supplemental  
26 security income benefits provided under title XVI of the Social Security Act [42  
27 U.S.C. 1382; et seq.]; and
- 28 b. ~~To refund~~ repay to the ~~nursing facility alternative grant fund or the nursing~~  
29 long-term care facility alternative loan fund, on an amortized basis, the  
30 amount outstanding balance of the grant or loan and any accrued interest if  
31 the applicant or its successor in interest ceases to operate a basic care

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

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

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

19                    **SECTION 12. NURSING FACILITY ALTERNATIVE LOANS - 1999-2001 BIENNIUM -**  
20 **INTEREST RATE ADJUSTMENT.** The Bank of North Dakota and the department of human  
21 services shall adjust the rate of interest charged on nursing facility alternative loans approved  
22 during the biennium beginning July 1, 1999, and ending June 30, 2001, to a rate equivalent to  
23 two percent effective July 1, 2001, taking into consideration any grants approved in conjunction  
24 with the loan.

25                    **SECTION 13. APPROPRIATION - GOVERNMENT NURSING FACILITY FUNDING**  
26 **POOL.** The funds provided in this section, or so much of the funds as may be necessary, are  
27 appropriated out of any moneys in the general fund in the state treasury, not otherwise  
28 appropriated, and from special funds derived from federal funds, to the department of human  
29 services for the purpose of making government nursing facility funding pool payments under  
30 section 50-24.4-30 for the period beginning with the effective date of this Act and ending  
31 June 30, 2003.

1	Total all funds	\$43,000,000
2	Less estimated income	<u>30,100,000</u>
3	Total general fund appropriation	\$12,900,000

4           **SECTION 14. ADDITIONAL GOVERNMENT NURSING FACILITY FUNDING POOL**

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

6 estimated income in excess of the \$30,100,000 appropriated in section 13 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 15. 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 \$400,000, 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  
21 section 50-24.4-30, the department of human services shall make a transaction fee payment of  
22 \$200,000 to the government nursing facility in Dunseith and a transaction fee payment of  
23 \$200,000 to the government nursing facility in McVille 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 16. 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 \$23,000,000, 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 intermediate care facilities for the  
3 mentally retarded renovation projects that exceed an aggregate total of \$3,000,000 for the  
4 biennium beginning July 1, 2001, and ending June 30, 2003.

5 **SECTION 17. 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 \$9,000,000, 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 \$15,000  
11 per bed to reduce licensed nursing facility bed capacity based on a competitive bidding  
12 process. The department of human services shall consider in the competitive bidding process  
13 the cost savings to the state which will result from the reduction in nursing facility bed capacity.

14 **SECTION 18. 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 \$6,000,000, or so much of the sum as  
17 may be necessary, and from special funds derived from federal funds the sum of \$14,000,000,  
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 for the  
20 biennium beginning July 1, 2001, and ending June 30, 2003. The department of human  
21 services shall provide \$4,000,000 of additional state matching funds to increase nursing facility  
22 payment rates for the rate year beginning January 1, 2002. The department shall allocate the  
23 amount to each facility based on the number of actual resident days used to establish rates for  
24 the rate year beginning January 1, 2002. The department shall provide \$2,000,000 of  
25 additional state matching funds to continue the increased nursing facility payment rates for the  
26 rate year beginning January 1, 2003.

27 **SECTION 19. APPROPRIATION - TRAINING GRANTS.** There is appropriated out of  
28 any moneys in the health care trust fund in the state treasury, not otherwise appropriated, the  
29 sum of \$140,000, or so much of the sum as may be necessary, to the department of human  
30 services for the purpose of providing grants to organizations for training qualified service  
31 providers for the biennium beginning July 1, 2001, and ending June 30, 2003. A qualified

1 service provider means a county agency or independent contractor that agrees to meet  
2 standards for services and operations established by the department of human services for the  
3 provision of services to individuals receiving long-term care services in a home or  
4 community-based setting.

5 **SECTION 20. HEALTH CARE TRUST FUND - MINIMUM BALANCE REQUIRED.**

6 Except for making payments under subsection 3 of section 50-30-02, the state treasurer may  
7 not allow expenditures or transfers from the health care trust fund that would reduce the  
8 unobligated balance in the fund below \$13,000,000 until the director of the department of  
9 human services certifies to the state treasurer that the federal health care financing  
10 administration's claim for the return of \$13,000,000 of the state's first-year payment has been  
11 resolved for the biennium beginning with the effective date of this Act and ending June 30,  
12 2003.

13 **SECTION 21. DEPARTMENT OF HUMAN SERVICES - EMERGENCY RULEMAKING**

14 **AUTHORITY.** Notwithstanding subsection 6 of section 28-32-02, the department of human  
15 services may adopt interim final rules to implement this Act for the biennium beginning with the  
16 effective date of this Act and ending June 30, 2003. The department shall take appropriate  
17 measures to make the interim final rules known to every person who may be affected by them.  
18 The interim final rules are ineffective one hundred eighty days after its declared effective date  
19 unless first adopted as final rules.

20 **SECTION 22. EMERGENCY.** Sections 7, 13, 15, 20, and 21 of this Act are declared to  
21 be an emergency measure.