

**FIRST ENGROSSMENT
with Conference Committee Amendments**

ENGROSSED SENATE BILL NO. 2012

Introduced by

Appropriations Committee

(At the request of the Governor)

1 A BILL for an Act to provide an appropriation for defraying the expenses of the department of
2 human services; to provide for the transfer of appropriation authority between agencies and
3 institutions; to provide an exception; to provide for legislative council studies; to provide
4 statements of legislative intent; and to declare an emergency.

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

6 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the
7 funds as may be necessary, are appropriated out of any moneys in the general fund in the state
8 treasury, not otherwise appropriated, and from special funds derived from federal funds and
9 other income, to the department of human services and its various divisions, for the purpose of
10 defraying the expenses of that agency, for the biennium beginning July 1, 2003, and ending
11 June 30, 2005, as follows:

12 Subdivision 1.

13 ADMINISTRATION - SUPPORT

14 Salaries and wages	\$11,016,285
15 Operating expenses	33,567,188
16 Capital assets	2,694
17 Developmentally disabled facility loan fund	<u>3,261,556</u>
18 Total all funds	\$47,847,723
19 Less estimated income	<u>34,130,107</u>
20 Total general fund appropriation	\$13,717,616

21 Subdivision 2.

22 PROGRAM/POLICY MANAGEMENT

23 Salaries and wages	\$22,053,781
24 Operating expenses	37,331,409

Fifty-eighth
Legislative Assembly

1	Capital assets	39,672
2	Grants	287,987,203
3	Grants - Medical assistance	<u>918,049,664</u>
4	Total all funds	\$1,265,461,729
5	Less estimated income	<u>957,611,496</u>
6	Total general fund appropriation	\$307,850,233
7	Subdivision 3.	
8	MENTAL HEALTH COMMUNITY SERVICES CONTINGENCY	
9	Total general fund appropriation	\$250,000
10	NORTHWEST HUMAN SERVICE CENTER	
11	Total all funds	\$7,275,679
12	Less estimated income	<u>3,645,640</u>
13	Total general fund appropriation	\$3,630,039
14	NORTH CENTRAL HUMAN SERVICE CENTER	
15	Total all funds	\$14,564,870
16	Less estimated income	<u>6,723,674</u>
17	Total general fund appropriation	\$7,841,196
18	LAKE REGION HUMAN SERVICE CENTER	
19	Total all funds	\$8,420,933
20	Less estimated income	<u>3,782,973</u>
21	Total general fund appropriation	\$4,637,960
22	NORTHEAST HUMAN SERVICE CENTER	
23	Total all funds	\$19,441,183
24	Less estimated income	<u>11,444,820</u>
25	Total general fund appropriation	\$7,996,363
26	SOUTHEAST HUMAN SERVICE CENTER	
27	Total all funds	\$20,724,542
28	Less estimated income	<u>11,215,222</u>
29	Total general fund appropriation	\$9,509,320
30	SOUTH CENTRAL HUMAN SERVICE CENTER	

Fifty-eighth
Legislative Assembly

1	Total all funds	\$11,358,975
2	Less estimated income	<u>5,731,868</u>
3	Total general fund appropriation	\$5,627,107
4	WEST CENTRAL HUMAN SERVICE CENTER	
5	Total all funds	\$17,584,844
6	Less estimated income	<u>9,121,635</u>
7	Total general fund appropriation	\$8,463,209
8	BADLANDS HUMAN SERVICE CENTER	
9	Total all funds	\$8,924,627
10	Less estimated income	<u>4,558,723</u>
11	Total general fund appropriation	\$4,365,904
12	STATE HOSPITAL	
13	Total all funds	\$41,889,561
14	Less estimated income	<u>16,405,360</u>
15	Total general fund appropriation	\$25,484,201
16	DEVELOPMENTAL CENTER	
17	Total all funds	\$40,761,057
18	Less estimated income	<u>31,949,828</u>
19	Total general fund appropriation	\$8,811,229
20	Total all funds - Subdivision 3	\$191,196,271
21	Total estimated income - Subdivision 3	\$104,579,743
22	Total general fund appropriation - Subdivision 3	\$86,616,528
23	Grand total general fund appropriation S.B. 2012	\$409,234,377
24	Grand total special funds appropriation S.B. 2012	\$1,098,446,346
25	Grand total all funds appropriation S.B. 2012	\$1,507,680,723

26 **SECTION 2. APPROPRIATION - HEALTH CENTER GRANTS.** There is appropriated
 27 out of any moneys in the general fund in the state treasury, not otherwise appropriated, the
 28 sum of \$50,000, or so much of the sum as may be necessary, to the department of human
 29 services for the purpose of providing grants to community entities to support community
 30 development and grant writing services for the purpose of health center grant application

1 submission, for the biennium beginning July 1, 2003, and ending June 30, 2005. The
2 department may not award an individual grant of more than \$10,000.

3 **SECTION 3. APPROPRIATION - LEGISLATIVE INTENT.** There is appropriated out of
4 any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of
5 \$1,000,000, or so much of the sum as may be necessary, and from federal funds, the sum of
6 \$2,125,000 to the department of human services for the purpose of supplementing other
7 appropriations provided for the medical assistance program, the developmental center, the
8 state hospital, and home and community-based services programs for the biennium beginning
9 July 1, 2003, and ending June 30, 2005. It is the intent of the legislative assembly that
10 whenever possible, the department use the general fund moneys appropriated under this
11 section to maximize federal funding for these programs and functions.

12 **SECTION 4. LEGISLATIVE INTENT - DEVILS LAKE CHILD SUPPORT**
13 **ENFORCEMENT UNIT.** It is the intent of the legislative assembly that the fifty-ninth legislative
14 assembly consider removing general fund support for the Devils Lake child support
15 enforcement unit reservation project if the project's performance results do not improve during
16 the biennium beginning July 1, 2003, and ending June 30, 2005.

17 **SECTION 5. LANDS AND MINERALS TRUST FUND.** The sum of \$3,261,556, or so
18 much of the sum as may be necessary, included in the developmentally disabled facility loan
19 fund line item in subdivision 1 of section 1 of this Act, may be expended by the department of
20 human services from the lands and minerals trust fund for the purpose of making payments of
21 principal and interest to the common schools trust fund on any loans made from it pursuant to
22 the developmentally disabled loan fund program nos. 2 and 3, for the biennium beginning
23 July 1, 2003, and ending June 30, 2005.

24 **SECTION 6. HEALTH CARE TRUST FUND - TRANSFER TO GENERAL FUND.** The
25 office of management and budget shall transfer \$35,911,035 from the health care trust fund to
26 the general fund during the biennium beginning July 1, 2003, and ending June 30, 2005.

27 **SECTION 7. FUNDING TRANSFERS - EXCEPTION - AUTHORIZATION.**
28 Notwithstanding section 54-16-04, the department of human services may transfer
29 appropriation authority between line items within each subdivision of section 1 of this Act, and
30 between subdivisions within section 1 of this Act for the biennium beginning July 1, 2003, and
31 ending June 30, 2005. The department shall notify the office of management and budget of

1 any transfer made pursuant to this section. The department shall report to the budget section
2 after June 30, 2004, any transfers made in excess of \$50,000 and to the appropriations
3 committees of the fifty-ninth legislative assembly regarding any transfers made pursuant to this
4 section.

5 **SECTION 8. FEDERAL TANF BLOCK GRANT PROGRAMS - EXPENDITURE LIMIT.**

6 The department of human services shall make the changes necessary to programs utilizing
7 funding from the temporary assistance for needy families (TANF) block grant to provide that by
8 the end of the 2003-05 biennium, the cumulative funding anticipated to be spent for these
9 programs for each fiscal year does not exceed North Dakota's annual federal TANF block grant
10 allocation, including any incentive or bonus grants awarded to North Dakota.

11 **SECTION 9. MEDICAL SERVICES - COPAYMENTS AND SERVICE LIMITS.** The
12 department of human services shall establish a six dollar copayment for medical assistance
13 recipients for each emergency room visit that is not designated an emergency service by the
14 medical services provider. The department of human services shall establish other service
15 copayments or limits and make other programmatic changes within the medical services
16 program to operate the program within the funding levels approved by the fifty-eighth legislative
17 assembly for the biennium beginning July 1, 2003, and ending June 30, 2005.

18 **SECTION 10. NURSING HOME RATES - EXCEPTION - DIRECT CARE LIMIT.**

19 Notwithstanding subsection 4 of section 50-24.4-10, the department of human services shall
20 establish an eighty-five dollar per diem limit, adjusted for inflation under subsection 5 of section
21 50-24.4-10, on allowable operating costs for direct care services of nursing facilities for
22 purposes of determining nursing facility payment rates for the biennium beginning July 1, 2003,
23 and ending June 30, 2005.

24 **SECTION 11. SUPPORTED LIVING ARRANGEMENTS FOR INDIVIDUALS WITH
25 DEVELOPMENTAL DISABILITIES - LOCAL MATCHING FUNDS - FUNDING ALLOCATION.**

26 The grants - medical assistance line item in subdivision 2 of section 1 of this Act includes
27 \$200,000 from the general fund for supported living arrangement services for individuals with
28 developmental disabilities. This funding may be spent only if local or private funding is
29 provided for these services on a dollar-for-dollar matching fund basis. The department shall
30 allocate the funding appropriated for this purpose proportionately to each human service region
31 of the state based on the number of individuals with developmental disabilities seeking

1 supported living arrangement services in each region for the biennium beginning July 1, 2003,
2 and ending June 30, 2005.

3 **SECTION 12. LEGISLATIVE INTENT - VOCATIONAL REHABILITATION - SURVEY**

4 **TIME PERIOD.** It is the intent of the legislative assembly that the department of human
5 services only survey vocational rehabilitation clients who become employed regarding job
6 retention and job satisfaction after three months of employment if allowed under federal
7 regulations for the biennium beginning July 1, 2003, and ending June 30, 2005.

8 **SECTION 13. LEGISLATIVE COUNCIL STUDY - HUMAN SERVICES**

9 **ADMINISTRATIVE COSTS.** The legislative council shall consider studying, during the 2003-04
10 interim, administrative costs of human service programs, including costs incurred by the central
11 office of the department of human services, human service centers, and county social services.
12 If studied, the legislative council shall review the effects of the 1997 "swap" legislation on state
13 and county human service program costs. The legislative council shall report its findings and
14 recommendations, together with any legislation required to implement the recommendations, to
15 the fifty-ninth legislative assembly.

16 **SECTION 14. LEGISLATIVE COUNCIL STUDY - CHILDREN WITH SPECIAL**

17 **HEALTH NEEDS.** The legislative council shall consider studying, during the 2003-04 interim,
18 programs providing services to children with special health care needs in North Dakota and
19 service needs of these children which are not available under current programs. The legislative
20 council shall report its findings and recommendations, together with any legislation required to
21 implement the recommendations, to the fifty-ninth legislative assembly.

22 **SECTION 15. LEGISLATIVE COUNCIL STUDY - MEDICAID ADVISORY COUNCIL.**

23 The legislative council shall consider studying, during the 2003-04 interim, the feasibility and
24 desirability of establishing an advisory council for the medical assistance program of the
25 department of human services. If studied, the legislative council shall consider including
26 representatives of private health care providers on the advisory council. The legislative council
27 shall report its findings and recommendations, together with any legislation required to
28 implement the recommendations, to the fifty-ninth legislative assembly.

29 **SECTION 16. LEGISLATIVE COUNCIL STUDY - LONG-TERM CARE CONTINUUM.**

30 The legislative council shall consider studying, during the 2003-04 interim, North Dakota's
31 long-term care continuum of services, including service delivery methods and payment

1 systems. If studied, the legislative council shall consider the cost-effectiveness of the programs
2 and the appropriateness of rate structures and the nursing home equalized rate policy. The
3 legislative council shall report its findings and recommendations, together with any legislation
4 required to implement the recommendations, to the fifty-ninth legislative assembly.

5 **SECTION 17. EMERGENCY.** The total all funds line item for the state hospital in
6 subdivision 3 of section 1 of this Act includes \$400,000 from special funds for capital
7 construction projects, and the appropriation of that amount is declared to be an emergency
8 measure.