2009 HOUSE HUMAN SERVICES

HB 1327

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1327

House Human Services Committee

☐ Check here for Conference Committee

Hearing Date: February 2, 2009

Recorder Job Number: 8345

Committee Clerk Signature Vicky Crabtree

Minutes:

Chairman Weisz called the hearing to order on HB 1327.

Rep. Weisz sponsored and introduced bill.

Rep. Conrad: How many beds does that facility have?

Rep. Weisz: A 50 bed facility.

Rep. Potter: When beds were sold to Bismarck, how did that transpire?

Rep. Weisz: Med Center One leased these beds to the facility. Because they have the license with them, the beds go with licensee. Beds are now in new Mandan facility. This bill would make it clear that Steele would not be able to benefit from the (inaudible).

Rep. Hofstad: Do we tend to dilute the value of the pool at all?

Rep. Weisz: Don't believe so because the beds that were lost in this transition, were never a part of the pool anyway. If we don't pass this bill there is no way that community would have the resources to buy the 50 beds.

Rep. Hofstad: They will never be able to put those beds back into the market?

Rep. Weisz: No, they will never be able to transfer, sell, in other words, they could enter into a lease agreement to operate it, but if that agreement ends, those beds are gone.

Rep. Frantsvog: Is this situation unique to Steele?

Rep. Weisz: I believe it is.

Rep. Frantsvog: Was Steele aware of the transfer of beds?

Chairman Weisz: When the lease was added into in 1996, I don't believe they had the value of the beds. Steele didn't have the ability to enter into another lease.

Rep. Damschen: If this passed and they got the beds and the ownership of the facility changed, (inaudible).

Rep. Weisz: I don't believe anything would happen because the beds would still be (inaudible) of that facility. If they tried to transfer those beds through new ownership (inaudible).

Rep. Damschen: In this case the beds would follow the facility.

Rep. Weisz: My intent is that (inaudible) the beds stayed in the facility. No matter who owns it, if they move the beds to a different facility they lose the beds.

Paul Bakkum, President of Golden Manor Board of Directors: Testified in support. **See Testimony #1.**

Rep. Holman: How many jobs are tied to the facility.

Paul Bakkum: There is between 80-90 positions, not all full time.

Rep. Nathe: Are you still experiencing staffing shortages right now?

Paul Bakkum: It is still being run under a management agreement. We are directly related, but we understand through the management that staffing continues to be an ongoing situation.

Rep. Conrad: Do you have plans to (inaudible).

Paul Bakkum: Still have remaining board of 7 individuals who managed facility when it was independently managed. It could be an option or we have made connections and conversations with other options.

Rep. Uglem: How many of the current residents are local to Kidder C:o. and how many brought in from Bismarck?

Paul Bakkum: Hard to become specific because of HIPPA. It was probably by addresses maybe 50%.

Tom Steinolfson, Mayor of Steele: Testified in support. **See Testimony #2.**

Rep. Frantsvog: If this bill were to pass , would it have any effect on the residence that are there now?

Tom Steinolfson: In most cases we would anticipate a smooth transition, but because of the timing Sand the contract that is in place the residence that are still there unfortunately will have to be transitioned to a different facility.

Rep. Conrad: Have to find new residents.

Tom Steinolfson: Yes. Fifty percent are from Kidder Co. Those residents were put in a situation where their families needed to take care of as this situation arose and the contract was coming to a termination. So we anticipate that the majority of those residents will come back to our community as well as (inaudible).

Rep. Conrad: (Inaudible).

Tom Steinolfson: Of those 25 residents they have gone to various places.

Rep. Porter: (Inaudible) facility maybe less than what the number of beds made available to you. How would you see the difference being made up?

Tom Steinolfson: Steele has history of rising to occasions. We have mill levies or sales tax initiatives. We have supported different things like this in the past. We have strong viable accounts in our economic situation. Inititial investment of purchasing these beds we don't believe we will be viable.

Carol Johnson, President of Citizen to Save Golden Manor: Testified in support. **See Testimony #3.**

Chairman Weisz: From your perspective on the community, do you feel the city of Steele would support by whatever means would be necessary for the financial stability of the facility.

Carol Johnson: I believe the support is there. My committee has been meeting just about weekly trying to see what we can do. Lewis and Clark economic development could provide start-up costs if we could prove sustainability and viability.

Maggie Anderson, Director of Medical Services: Testified with information. **See Testimony #4.**

Chairman Weisz: You're making the assumption currently they are at 95% occupancy, you are already added 34 (inaudible) Medicaid when they could already be in the home? Why aren't they currently residing in a skilled (inaudible) facility?

Maggie Anderson: I'm not sure I understand the full question. An example: the Long Term Association had been working with the dept. telling us about all the bed movement that is happening around the state. A lot of them are currently unoccupied beds, out in rural areas moving to urban areas. Once they are in a place and they are available then it is reasonable to believe the Medicaid occupancy penetration rate of 54% will apply to the same bed. We add 37 beds in this case, we can expect that 54% of those beds will be occupied by Medicaid clients who have some point will need nursing facility level of care.

Chairman Weisz: So you are saying if we don't license Steele they won't receive nursing home care someplace else?

Maggie Anderson: We have to look at those numbers as estimated of what it costs based on the current penetration rate and current occupancy.

Chairman Weisz: You are stating you don' t believe the overall occupancy rate would drop statewide.

Maggie Anderson: We did not fill that occupancy (inaudible).

Rep. Porter: Last session we had a sheet that showed all of the available beds and occupancy rate for the past, I don't know how long it was. (Inaudible) for us to see again. If the verbiage in this particular

bill isn't narrow enough so that it really comes down to one facility, what do we need to add to for sure to get the other 29 eligible beds off the table.

Maggie Anderson: I will defer to the health department question.

(Someone talking, no name given): I believe it has to do with June 2009 date (inaudible).

Rep. Porter: When Dunseith facility didn't move all the beds in the time line , did we as a state see any savings in Medicaid dollars because (inaudible.)

Maggie Anderson: We have not budgeted for those beds to be part of the mix in that time period when they were still uncertain about the licensing of that. Some of those beds have been sold . Don't know how many that was. Most of those beds were lost.

Rep. Porter: Because some of those beds were activated even though they sat for a year or two under Dunseith and then sold, are now being active, are we seeing an increase in the nursing home budget because of that movement of those beds/

Maggie Anderson: In the current biennium, we haven't seen an increase in nursing facility (inaudible).

OPPOSITION:

Rosanne Schmidt, Vice President of Behavior Health Transitional Care Unit and Rehab Services at St. Alexius Medical Center and Vice President of Long Term Care Association: Testified in opposition: **See Testimony #5.**

Rep. Conrad: (Inaudible) 29 beds are purchased or sold (inaudible).?

Rosanne Schmidt: Don't know.

Rep. Porter: On your Attachment H, can you give us more information on that.? Like to see it broken down.

Rosanne Schmidt: We have it broken down by region.

Rep. Porter: Typically in the past, those regions haven't correlated to just Bismarck-Mandan (inaudible). Garrison and New Salem. I'd like to see it down to correlate exactly to what (inaudible) Attachment H.

Rosanne Schmidt: We can get that information.

Rep. Nathe: Looking at two new nursing centers in Bismarck-Mandan?

Rosanne Schmidt: Yes we are.

Rep. Nathe: Ready to go on line in 200(inaudible).

Rosanne Schmidt: Yes.

Greg Hanson from Grand Forks: Testified in opposition. **See Testimony #6.**

Rep. Porter: would you oppose us allowing urban areas getting up to the National average and work towards devaluing those other beds regardless? No big movement in those beds and we still have underserved areas in the state that force families to travel great distances to see their loved ones in nursing facilities.

Greg Hanson: Have some concerns about that we have already spent $600,000 which by definition not reimbursable. The transfer has already taken place, we are adding another 6 beds we will be getting close to the 40 by that point.

Rep. Porter: How about if we do it differently, if you've been sitting at 85% occupancy for 3 years, the state is going to take that bed and put it in a pool and make it available for all the patients in other facilities and they can buy it.

Greg Hanson: I have no opposition some other facilities would have great opposition to that.

Karissa Olson, Administrator of Heartland Care Center in Devils Lake: Testified in opposition. **See Testimony #7.**

Chairman Weisz closed the hearing.

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1327

House Human Services Committee

☐ Check here for Conference Committee

Hearing Date: February 4, 2009

Recorder Job Number: 8710

Committee Clerk Signature Vicky Crabtree

Minutes:

Chairman Weisz: Let's take up 1327. Page 1, line 14, after second "of", put word "all" in.

Rep. Kilichowski: The way I understand it, there are corporations out there that have other beds in surrounding communities. Harvey has 25 beds and the corporation decides to move the 25 beds to Devils Lake, will that allow them to go ahead and add 25 beds to their facility?

Chairman Weisz: Let's say a corporation owns Harvey and they have to pull all the beds before June 1, they would have the ability to apply for 75% of the beds they had originally only at that facility. The corporation doesn't get the beds. They don't have the ability to transfer or swap beds.

(Discussion with many taking at once.)

Chairman Weisz: My language says you have to transfer all your beds and the beds have to be licensed in that facility.

Rep. Kilichowski: They could transfer to an existing home they already have in the corporation.

Chairman Weisz: They can do that now. Shelly how many beds for sale?

Shelly Peterson: Out of 3 responses, 8 in Devils Lake, 2 other facilities with total of18 beds.

Chairman Weisz: This bill helps the community to continue what they have had currently. If the community can't do it, they lose the beds.

Rep. Porter: Move for amendments.

Rep. Nathe: Second.

Rep. Potter: Want to make sure facilities won't have a problem with moratorium.

Chairman Weisz: Not going to tell you they aren't doing to be concerned. Big issue is down the road is we have to look at the moratorium.

Voice Vote: 13 yeas, 0 nays, 0 absent.

MOTION CARRIED DO PASS FOR AMENDMENTS.

Rep. Nathe: Motion for a DO PASS.

Rep. Uglem: Second.

Roll Call Vote: 10 yes, 3 no, 0 absent.

MOTION CARRIED FOR A DO PASS

BILL CARRIER: Rep. Porter.

FISCAL NOTE

Requested by Legislative Council
05/02/2009

Amendment to: Engrossed HB 1327

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2007-2009 Biennium		2009-2011 Biennium		2011-2013 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				$31,044		$65,860
Expenditures			$46,891	$231,044	$99,499	$65,860
Appropriations			$46,891	$31,044	$99,499	$65,860

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2007-2009 Biennium			2009-2011 Biennium			2011-2013 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

This bill provides for the remodel of a nursing facility, provides for an appropriation for remodel costs and has the potential of increasing licensed basic care capacity.

B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

The fiscal impact is based on the addition of 10 licensed basic care beds and a Medicaid penetration rate of 40% for a total of 4 basic care beds that would be occupied by Medicaid eligible individuals. Because of the need to remodel, the estimated cost for the 4 additional beds is only for the second year of the biennium in 2009 - 2011.

In addition, the department shall grant $200,000 to a facility which incurs a transfer of the location of all the facility's beds and a change of operator before June 1, 2009, for costs associated with the remodeling of the facility and the rent subsidy pilot project.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*
   A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

It is estimated that Human Services would access $31,044 in Medicaid funding for the costs associated with the additional 4 basic care beds.

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The expenditures reflect the cost of the additional 4 Medicaid beds at the projected daily rates.

In addition, the expenditures reflect the $200,000 to be granted to a facility which incurs a transfer of the location of all the facility's beds and a change of operator before June 1, 2009, for the costs associated with the remodeling of the facility and the rent subsidy pilot project. This funding is from the Health Care Trust Fund.

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a*

continuing appropriation.

Appropriation authority for the $200,000 remodeling/rent subsidy pilot project grant is included in this Bill.

Additionally, appropriation authority would be needed for the added 4 basic care beds as follows: General Funds of $46,891 and Federal Funds of $31,044.

Name:	Debra A. McDermott	**Agency:**	Human Services
Phone Number:	328-3695	**Date Prepared:**	05/04/2009

FISCAL NOTE

Requested by Legislative Council
03/19/2009

Amendment to: Engrossed HB 1327

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2007-2009 Biennium		2009-2011 Biennium		2011-2013 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				$31,044		$65,860
Expenditures			$46,891	$381,044	$99,499	$65,860
Appropriations			$46,891	$31,044	$99,499	$65,860

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2007-2009 Biennium			2009-2011 Biennium			2011-2013 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

This bill provides for the remodel of a nursing facility, provides for an appropriation for remodel costs and has the potential of increasing licensed basic care capacity.

B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

The fiscal impact is based on the addition of 10 licensed basic care beds and a Medicaid penetration rate of 40% for a total of 4 basic care beds that would be occupied by Medicaid eligible individuals. Because of the need to remodel the estimate for the 4 additional beds is for the second year of the biennium in 2009 - 2011.

In addition, the department shall grant $350,000 to a facility which incurs a transfer of the location of all the facility's beds and a change of operator before June 1, 2009, for costs associated with the remodeling of the facility.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*
   A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

It is estimated that Human Services would access $31,044 in Medicaid funding for the costs associated with the additional 4 basic care beds.

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The expenditures reflect the cost of the additional 4 Medicaid beds at the projected daily rates.

In addition, the expenditures reflect the $350,000 to be granted to a facility which incurs a transfer of the location of all the facility's beds and a change of operator before June 1, 2009, for the costs associated with the remodeling of the facility. This funding is from the Health Care Trust Fund.

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

Appropriation authority for the $350,000 remodeling grant is included in this Bill.

Additionally, appropriation authority would be needed for the added 4 basic care beds as follows: General Funds of $46,891 and Federal Funds of $31,044.

Name:	Brenda M. Weisz	**Agency:**	DHS
Phone Number:	328-2397	**Date Prepared:**	03/20/2009

FISCAL NOTE

Requested by Legislative Council
02/19/2009

Amendment to: HB 1327

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2007-2009 Biennium		2009-2011 Biennium		2011-2013 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				$1,429,549		$1,602,029
Expenditures			$849,651	$1,429,549	$944,201	$1,602,029
Appropriations			$849,651	$1,429,549	$944,201	$1,602,029

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2007-2009 Biennium			2009-2011 Biennium			2011-2013 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

This bill will increase the licensed bed capacity in the state by 38 beds as the bill opens up the existing moratorium on bed capacity.

B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

It is estimated that 19 beds would be occupied by Medicaid eligible individuals.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*
   A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

It is estimated that Human Services would access $1,428,789 in Medicaid funding for the additional grant costs.

The revenue also includes a fee of $10 per bed per year by the Health Department, totalling $760.

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The Department of Human Services expenditures reflect the cost of the additional 19 Medicaid beds.

The Health Department expenditures reflect the estimated cost of completing plan reviews for the additional 38 beds and to provide onsite inspection of the new facility

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

The estimated fiscal impact of this Bill is not included in either the Department of Human Services or the Health Department appropriation bills. Therefore, additional appropriation authority would be needed by each agency as follows:

DHS - General Fund of $838,411 and Federal Funds of $1,428,789

Health Dept - General Fund of $11,240 and Other Funds of $760

Name:	Debra A. McDermott	**Agency:**	Human Services
Phone Number:	328-3695	**Date Prepared:**	02/21/2009

FISCAL NOTE

Requested by Legislative Council
01/21/2009

Bill/Resolution No.: HB 1327

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2007-2009 Biennium		2009-2011 Biennium		2011-2013 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				$2,558,101		$3,026,711
Expenditures			$1,510,993	$2,558,101	$1,779,313	$3,026,711
Appropriations			$1,510,993	$2,558,101	$1,779,313	$3,026,711

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2007-2009 Biennium			2009-2011 Biennium			2011-2013 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

This Bill would allow a facility to reestablish 75% of its bed capacity under certain circumstances.

B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Section 2 of the Bill allows a facility to add back 75% of its bed capacity if that facility has previously transferred its beds to another facility and has had a change of ownership.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*
   A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

The additional revenues reflected in the fiscal note are for:
1) The additional Medicaid funding the Department of Human Services will be able to access ($2,556,781); and
2) The fees generated by the $10 per bed per year licensure fee charged by the Health Department ($1,320).

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The Department of Human Services expenditures reflect the cost of the additional 34 Medicaid beds ($4,057,094 - $1,500,313 general fund and $2,556,781 of federal funds).

The Health Department expenditures reflect the estimated cost of completing plan reviews for the additional 66 beds and to provide onsite inspection of the new facility ($12,000 - $10,680 general fund and $1,320 of federal funds).

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

The estimated fiscal impact of this Bill is not included in either the Department of Human Services or the Health Departments appropriation Bills. Therefore, additional appropriation authority would be needed by each agency as follows:

DHS - General Fund of $1,500,313 and Federal Funds of $2,556,781
Health Dept - General Fund of $10,680 and Other Funds of $1,320

Name:	Debra A. McDermott	**Agency:**	Human Services
Phone Number:	328-3695	**Date Prepared:**	01/30/2009

2009 HB 1327

Allow NF to be licensed at 75% of capacity transfer.

Current Licensed Capacity	88
Capacity at 75%	66
Statewide Medicaid occupancy Rate	54%
Occupancy percentage	95%

	Average			
Average NF In state only rate in1/1/09 (gov Budget)	170.71			
		2011	2012	2013
	193.42	$180.14	$193.24	$207.27

Fiscal impact of adding 34 licensed beds $4,057,094 2009-2011

$4,800,684 2011-2013

Anticipated start date August 1, 2009 Fiscal impact is for 23 Months

Licensed nursing facility capacity would increase by 66 of which 34 beds would be paid by Medicaid

+66 beds X 95% occupancy X 54%Medicaid Rate = 33.858 or 34

Monthly Average cost for 09-11 =	176,395	Total GF =	65,231

	Total Funds	General Funds	Federal Funds
2009-2001	$4,057,094	1,500,313	2,556,781
2001-2013	$4,800,684	1,775,293	3,025,391
Health Department's Portion 09-11	12,000	10,680	1,320
Health Department's Portion 11-13	5,340	4,020	1,320
Total 09-11	4,069,094	1,510,993	2,558,101
Total 11-13	4,806,024	1,779,313	3,026,711

Adopted by the Human Services Committee
February 4, 2009

VR
2/5/09

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1327

Page 1, line 14, after the second "of" insert "all"

Renumber accordingly

Date: 2-4-09

Roll Call Vote #: 1

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1327

House HUMAN SERVICES Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken ☒ Do Pass ☐ Do Not Pass ☐ Amended

Motion Made By REP. PORTER Seconded By REP. NATHE

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN ROBIN WEISZ			REP. TOM CONKLIN		
VICE-CHAIR VONNIE PIETSCH			REP. KARI L CONRAD		
REP. CHUCK DAMSCHEN			REP. RICHARD HOLMAN		
REP. ROBERT FRANTSVOG			REP. ROBERT KILICHOWSKI		
REP. CURT HOFSTAD			REP. LOUISE POTTER		
REP. MICHAEL R. NATHE					
REP. TODD PORTER					
REP. GERRY UGLEM					

Voice Vote

Total (Yes) 13 No 0

Absent _____

Bill Carrier _____

If the vote is on an amendment, briefly indicate intent:

on amend.
Pg 1 line 14 (Change a-mend.) after second "of" put word "all" in

Date: 2-4-09

Roll Call Vote #: 2

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 1327

House HUMAN SERVICES Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken ☒ Do Pass ☐ Do Not Pass ☒ Amended

Motion Made By Nathe Seconded By Uglem

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN ROBIN WEISZ	√		REP. TOM CONKLIN	√	
VICE-CHAIR VONNIE PIETSCH	√		REP. KARI L CONRAD		√
REP. CHUCK DAMSCHEN	√		REP. RICHARD HOLMAN	√	
REP. ROBERT FRANTSVOG	√		REP. ROBERT KILICHOWSKI		√
REP. CURT HOFSTAD	√		REP. LOUISE POTTER		√
REP. MICHAEL R. NATHE	√				
REP. TODD PORTER	√				
REP. GERRY UGLEM	√				

Total (Yes) 10 No 3

Absent 0

Bill Carrier Rep. Porter

If the vote is on an amendment, briefly indicate intent:

Amend. Change Page 1 line 14 after the second "of" put in word "all".

Re-referred to Appropriations

Motioned carried

DO PASS

REPORT OF STANDING COMMITTEE

HB 1327: Human Services Committee (Rep. Weisz, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (10 YEAS, 3 NAYS, 0 ABSENT AND NOT VOTING). HB 1327 was placed on the Sixth order on the calendar.

Page 1, line 14, after the second "of" insert "all"

Renumber accordingly

2009 HOUSE APPROPRIATIONS

HB 1327

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. **HB 1327**

House Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: February 12, 2009

Recorder Job Number: 9408

Committee Clerk Signature

Minutes:

Chairman Svedjan: The last bill from House Human Services is HB 1327. This bill has to do with nursing facility beds.

Rep. Weisz: This bill is in front of you because of a unique situation. I realize we are not in a policy discussion, but that is the whole point of this bill. The bill is in front of you because of a currently operating nursing home that was under a management agreement way back prior to when we did the bed buyout and some of these other issues. When the management company pulled out, they found out that they were losing their licensed beds. What this bill is is a one-time carve out of the moratorium that would allow them, if they can get the operation running in 12 months, that they would be able to have up to 75 beds at the current licensed facility to be able to continue operation of the home. These beds are non-salable, non-transferable. If they don't use them within the 12 months, they are gone and they are history. The fiscal note in front of you is not the latest because there were some amendments. The old fiscal note shows $2.5 million; that was there because the department did not change the automatically increased utilization when they plugged this in. They took the fact that 54% of the beds are generally Medicaid so they added a number of beds that would have been above the moratorium. That is the figure you have before you. Obviously if you are aware of what Rep. Pollert and his subsection do, take a look at the utilization, currently we are at about 95%

utilization. The fact that you add beds shouldn't change the utilization because we should only have people in the home that are supposed to be in the home. This shouldn't change that. My argument is that there won't be any fiscal impact to the state unless we are willing to say that we have people who belong in nursing homes and qualify but are not getting there because we don't have enough beds. I would hope that is not the case. The policy committee sent this forward because it is a unique situation that won't affect the value of the current beds trading because these beds are already gone. They have already been shifted to a new facility so there is not any shift there. These beds can't be sold so they can't drop the current market that is currently being traded on nursing home beds. Without this, you are going to have a community that had a nursing home; they won't be able to continue. We thought this was a chance for them. I sincerely believe it will have no fiscal effect on the state so I hope this committee will move it forward. I know Representative Pollert will take a hard look at utilization rates in our long-term care. That's what the bill does.

Chairman Svedjan: Here is my concern. (1) We put a moratorium on for a very good reason. (2) The nursing home in Grand Forks recently paid $18,000 a bed; I can't remember how many they bought but they got them. I am wondering in your committee discussion, did you talk about the fairness of this for all the other homes that have been in the process of buying beds because of increased demand? Did you talk about how this could open up Pandora's Box for other communities wanting to do the same thing and get the same kind of carve out?

Rep. Weisz: We don't feel we are opening a Pandora's Box because the reality is we do need to look at the moratorium. As you are all aware, we sunset that bill every session. We always sunset it because of the understanding that, as our needs change and as the population shifts, that we need to take a look at the moratorium every session. Again, this is a situation where prior to putting all these rules in place, they had entered into an agreement that now took those

beds away. This isn't a new facility that comes in and adds more beds. It is a unique situation. We often address a unique situation. That is not uncommon. We have a facility now that got a million dollars to buy their beds. We could argue that that shouldn't have happened either then because why do they get a million dollars to buy beds and Grand Forks had to pay out of their own pockets for the increased beds for their increased capacity? The other issue here is this has already happened from the standpoint that another facility got these beds without paying for them. We could argue that that itself was inequitable. Why did they get the beds for free when Grand Forks had to buy beds? Mr. Chairman, that is the reason your policy committee went this direction.

Rep. Kreidt: The moratorium was studied this interim by the long-term care committee. We did come out with a bill and, if it passes, (I think it is over in the Senate right now), we did extend that out four years this time because we thought every two years really wasn't necessary. We are going to go out four years, still giving time for those facilities that want to sell beds, there might be some small facilities that are going to close so they would have the moratorium in effect up until I think 2013 if I remember correctly. Rep. Weisz, if we go ahead and do this, are there other facilities out there right now that might qualify under the same guidelines here and also come in and ask for that?

Rep. Weisz: I don't believe so because the facility would have to lose all of its beds by June of this year. It is not a matter of Good Sams or Medcenter being able to say we will just pull the beds out of here. The language is very clear. The original language, which is why I said there is not a revised fiscal note, would have allowed some to have sold some beds and then been able to bring beds back in, which obviously would have been inequitable. They could have ended up selling beds and then we could turn around and get 75% of those beds back. That language was changed to be clear that it could only apply to this unique situation.

Rep. Kreidt: I note you will be 34 Medicaid beds or 34 total beds. That is total beds, not Medicaid. Having been in the nursing home business for a lot of years, has the community really taken a look at 34 beds and the feasibility of being able to cash flow a facility with that small amount of beds?

Rep. Weisz: The community is looking at other options. It would like to look at other options; but obviously at this point, they can't because the option isn't on the table unless this legislation passed. They are not going to spend thousands of dollars looking at a skilled care facility when they have no possibility of getting one. Obviously they have explored some of those options, explored administration and some of the other, but as far as spending for a full-case business study.... They may not be able to do it. If they don't, the beds are not out there; they are gone. This gives that ability, the option because they have a care facility. It is there. Should it be assisted living basic care? Can we do skilled care? Is the community willing to subsidize it if it has to to make it work? If they are not, fine; but this gives them that ability to at least have that option out there.

Rep. Kreidt: I don't know how many of you recall last session, but the veteran's home. We did go in last session to open up the moratorium and I think we added 14 skilled beds. Is that correct? 12. They were at 38 and we brought it up to 50. The logic behind that was that they weren't cash flowing with the number of beds they had there so we went ahead and did those 12 additional beds to make that a viable operation and hopefully to show some kind of profit at some time with that number of beds. I question 32 beds as a legitimate operation.

Chairman Svedjan: We have no motion on the floor.

Rep. Nelson: You talk about other options. If assisted living was one of those options, you wouldn't need this bill.

Rep. Weisz: That is correct, but they don't know what the best option is at this time.

Chairman Svedjan: In your opinion, is the facility able to be used in an assisted-living setting?

Rep. Weisz: It would probably take a fair amount of dollars to convert it because it is currently a 50 bed 100% skilled nursing facility. I know they had looked at it in the past before they entered into the management agreement and it didn't pencil at that time.

Rep. Nelson: If, if this bill didn't pass, are there beds available to purchase with the existing moratorium?

Rep. Weisz: Currently there are eight beds that are out there and potentially eight more beds that might be for sale. In response to Rep. Kreidt, this wouldn't prohibit them from trying to buy four or five beds. Because we are not paying for it, if the community decides they can run a 32 bed facility and subsidize it with sales tax or property tax or whatever, that is up to them. At least they have that option on the table to continue the operation. The reality is we have heard from a lot of communities about having to move people long distance so why shouldn't they have that same ability?

Rep. Delzer: Why the June 1 date compared to March 1? Are they all gone out there?

Rep Weisz: They are not all gone yet, but I believe they will be by the end of the month. Frankly, it could have been an earlier date. We wanted to make sure they had the time and nobody else would be able to take advantage of it, a combination.

Rep. Wald: It seems to me this may cause more problems than it solves so therefore I will move a "do not pass".

Chairman Svedjan: You heard the motion. Seconded by Rep. Metcalf. Any further discussion? Seeing none, we will take a roll call vote on a "do not pass" motion on 1327. I believe that motion carried (17 ayes, 5 nays, 3 absent). Rep. Kreidt will carry the bill.

Date: 2/12/09
Roll Call Vote #: 1 of 1

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1327

Full House Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number ———

Action Taken Do Not Pass

Motion Made By Wald Seconded By Metcalf

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan	✓				
Vice Chairman Kempenich	✓				
Rep. Skarphol	✓		Rep. Kroeber	✓	
Rep. Wald	✓		Rep. Onstad		✓
Rep. Hawken	✓		Rep. Williams	✓	
Rep. Klein	✓				
Rep. Martinson	✓				
Rep. Delzer		✓	Rep. Glassheim	✓	
Rep. Thoreson	✓		Rep. Kaldor	✓	
Rep. Berg	✓		Rep. Meyer		✓
Rep. Dosch	✓				
Rep. Pollert	✓		Rep. Ekstrom		✓
Rep. Bellew	—		Rep. Kerzman	—	
Rep. Kreidt	✓		Rep. Metcalf	✓	
Rep. Nelson		✓			
Rep. Wieland	—				

Total (Yes) 17 No 5

Absent 3

Floor Assignment Rep. Kreidt

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1327, as engrossed: Appropriations Committee (Rep. Svedjan, Chairman) recommends **DO NOT PASS** (17 YEAS, 5 NAYS, 3 ABSENT AND NOT VOTING). Engrossed HB 1327 was placed on the Eleventh order on the calendar.

2009 SENATE HUMAN SERVICES

HB 1327

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1327

Senate Human Services Committee

☐ Check here for Conference Committee

Hearing Date: 3/4/09

Recorder Job Number: 10225

Committee Clerk Signature Mary K Monson

Minutes:

Senator J. Lee opened the hearing on HB 1327 relating to nursing facility beds. There is a fiscal note.

Rep. Robin Weisz (District 14) introduced HB 1327. He explained that it was to correct something that was done back in 1995 that resulted in unintended consequences. This bill will give a community the opportunity to continue operating a nursing home that has been in operation for 30 plus years. The community of Steele is losing their nursing home because of the unavailability of beds due to the moratorium and the bed buyback. The beds that they currently have belong to the entity that was leasing the operation in Steele instead of the owner of the facility. When Steele entered into this agreement they didn't know they would lose their beds. This bill would give a onetime chance for Steele to maintain 75% of the beds they are currently licensed for. It will give allow 12 months to put them into operation after the bill becomes law. The beds would be non saleable and non transferable.

Senator Dever referred to the fiscal note and asked if we are expecting to have more people in nursing homes because there are more beds.

Rep. Weisz said they had discussed that in the House. He explained how the fiscal note was figured. He didn't feel the fiscal note was relevant and didn't think it would increase utilization.

Carol Johnson (President of the Citizens to Save Golden Manor) testified in support of HB 1327. Attachment #1

Senator J. Lee pointed out that the health department inspections are separate from the life safety code regular inspections.

Rep. Duane Dekrey (District 14) spoke in support of HB 1327 as a co-sponsor.

Maggie Anderson (Dept. of Human Services) provided information on HB 1327 specifically regarding the fiscal note related to the Dept. of Human Services. Attachment #2

Senator J. Lee pointed out that a tremendous amount of money is being spent on primarily aged and disabled in ND. ND has made a tremendous commitment to the services required for aged and disabled in ND. About 3500 people are utilizing the most services.

Ms. Anderson talked about the budget for elderly services.

Tom Steinolfson (Mayor of Steele) spoke in support of HB 1327. Attachment #3

Senator Dever said he was a little concerned about the viability of the skilled nursing facility when Bismarck will be seeing about a 20% increase in beds in the next 2 or 3 years. He asked if the facility is viable and if there has been consideration given to converting it to an assisted living or basic care facility.

Mr. Steinolfson replied that Kidder County has a higher than average age for ND so he believed there is a strong need there for beds and will continue to operate at the rate of occupancy they have in the past.

Senator Dever asked who the owner of the facility was.

Mr. Steinolfson said there was a board that is made up of nonprofit and for profit organizations.

Paul Bakkum (Golden Manor Board Member) testified in favor of HB 1327. Attachment #4

Senator J. Lee asked him to talk about any effort there might have been to explore the idea of basic care and assisted living.

Mr. Bakkum said they are currently looking at a number of options. They have addressed any combination of hopefully skilled beds. If they get back 75% of the beds, they still have available room at the facility. That additional space could be utilized in any combination of basic skilled beds or converting some of the available space to assisted living.

Senator J. Lee explained why the moratorium was put into place.

Senator Heckaman talked about staffing shortages and asked if they have done a survey to see what their staffing capabilities are. How many skilled beds can they staff for?

Mr. Bakkum agreed that staffing shortages is a statewide issue in this type of industry. 75% of what they had before would reduce the level of required employment. Currently they are looking at 80-90 staff positions.

Senator Dever asked if the moratorium over the years has been one of the reasons they have been able to keep it at 90% occupancy – because of the shortage elsewhere.

Mr.Bakkum said that, looking at the moratorium, there are 2 sides. There are some negative facts relative to the moratorium as well as some positive ones.

Senator Dever asked if they will be able to maintain the 90%.

Mr. Bakkum replied that they are reducing the number of beds and Kidder County and the surrounding area is continually becoming an aged population. They feel they are looking at the available possible future residents of Golden Manor are still increasing.

Senator Heckaman asked how many of the beds were local residents in the past.

Mr. Bakkum said in excess of 50%.

Senator Dever asked if they were going make the considerations on how to best structure the mix to fully utilize the facility.

Mr. Bakkum replied the board will plan to rely on looking at a number of different options which would, hopefully, include 37 skilled beds but also include a mixture of basic beds and assisted living.

Shelly Peterson testified in opposition to HB 1327. Attachment #5

Senator Dever asked if she was willing to work with the community of Steele to make things work for them.

Ms. Peterson said she has already been in contact with them and would continue to work with them.

The staffing problems and the changing mission and focus of the skilled nursing facilities in ND were discussed.

Karissa Olson (Heartland Care Center, Devils Lake) testified in opposition to HB 1327. Attachment #6

Jon Riewer (President, Eventide Senior Living communities of West Fargo and Moorhead) Opposition testimony – see attachment #7.

Shawn Stuhaug. (President/CEO Bethany Homes, Fargo) See opposing testimony #8.

There was a short discussion on transferring beds from MeritCare to Eventide and Bethany.

Greg Hanson (President/CEO of Valley Memorial Homes and Administrator of Valley Eldercare in GF) testified in opposing to HB 1327. Attachment #9

A short discussion followed that there is a moratorium in place in MN.

The hearing on HB 1327 was closed.

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1327

Senate Human Services Committee

☐ Check here for Conference Committee

Hearing Date: 3/11/09

Recorder Job Number: 10762

Committee Clerk Signature Mary K Monson

Minutes:

Senator J. Lee opened HB 1327 for discussion.

Discussion took place on possible funding sources like rural development, stimulus dollars, community action, etc.

Senator J. Lee relayed information from Jane Strommen who runs a community care in Arthur which is a program for coordination of care, home and community based services all the way to skilled care. The information of interest was the demographics --population changes, household income, disability rate, school enrollments. Also of interest was the availability of services for that area. The information showed there isn't enough senior housing. This could be a good opportunity to do some senior apartments in addition to the basic care and assisted living. According to Ms. Strommen two of the biggest needs are transportation and housing.

Senator Heckaman addressed Shelly Peterson and asked if Steele had pursued assisted living before.

Shelly Peterson wasn't aware if they had explored the possibility.

There was some discussion on the price of assisted living. It is more expensive in rural ND.

The difficulty for Assisted Living in Kidder County is that it is totally a private pay market.

The best option for Kidder County would probably be the basic care model built like the assisted living model. They could possibly accommodate 30 units if there was a need. Discussion followed on how to best help meet their needs and to use their building without violating the moratorium policy.

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1327

Senate Human Services Committee

☐ Check here for Conference Committee

Hearing Date: 3/16/09

Recorder Job Number: 11012, 11031

Committee Clerk Signature Mary K Monson

Minutes:

Vice Chair Senator Erbele opened discussion on HB 1327.

Senator Heckaman presented an amendment she had prepared (attachment #10) and explained that it was basically a hog house amendment. It would change from having the state allowing them to have 35 skilled nursing beds to giving them grant money of intergovernmental transfer funds.

It is drawn up so basically Steele is the only one who can apply for the funds because they would be the only ones who lost their beds to transfer. They would have to agree to the three requirements. The total amount of the funds would not be available until March 1, 2010. The question would be if they could access part of it before then.

Discussion followed that they do have some startup money but not necessarily in an escrow account.

The IGT fund was discussed. The fund is loan repayments from other facilities.

Senator Dever said his concern with accessing this money on an ongoing basis before 2010 was that they put the money out and then nothing happens.

Senator Erbele asked Shelly Peterson to walk the committee through the steps of this proposal. He suspected that to get this in place it would be getting close to 2010 anyway.

Shelly Peterson replied that it was basically a matter of employing an architect, coming up with a plan, getting bids and starting the project.

Senator Erbele asked if the administrator and staff need to be in place for basic care before startup like skilled nursing facilities.

Shelly Peterson said that for a nursing facility they have to be fully staffed but not in basic care. She went on to talk about the differences in the staffing requirements of the two types of facilities.

Senator Erbele asked Ms. Peterson if she was ok with the amendment.

Ms. Peterson said she was.

Senator Heckaman made a motion to accept the amendment .0201.

Second by **Senator Dever**.

Roll call vote 6-0-0. **Amendment adopted.**

Senator Heckaman moved a **Do Pass as Amended and Rerefer and to Appropriations**.

Second by **Senator Dever**.

Roll call vote 6-0-0. **Motion carried.**

Carrier is Senator Heckaman.

Job # 11031

Senator J. Lee asked Darlene Bartz from the Department of Health to share information.

Darlene Bartz (Department of Health) presented a packet of information – attachment #11. Discussion that followed indicated they were on the right track with the assisted living model. Accountability for receiving the money was discussed and was agreed that it was built into the bill. There was information that most of the IGT money was already taken and that this could be moved on to appropriations and let them figure out where the money should come from.

Maggie Anderson was recognized by **Senator J. Lee.** She informed the committee that the amendment by the House limited this bill to Steele by the use of "all of the facilities beds". She asked if the new language opens it up to the other facilities that have had transfers of the facilities beds.

After discussion it was agree that the word "all" needed to be put back in.

Senator Heckaman moved to reconsider the actions of the committee on HB 1327 .

Second by **Senator Dever.**

Motion carried on voice vote.

Senator Heckaman made a motion to amend back in the word "all".

Second by **Senator Dever**.

Roll call vote 6-0-0. **Amendment adopted.**

Senator Heckaman moved a **Do Pass as Amended and Rerefer to Appropriations**.

Second by **Senator Dever**.

Roll call vote 6-0-0. **Motion carried.**

Carrier is **Senator Heckaman**.

Additional information – Attachment 12

Prepared by the Legislative Council staff for
Senator Heckaman
March 16, 2009

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1327

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to provide for the remodeling of a nursing facility to meet the requirements of assisted living and basic care and a pilot project on assisted living rent subsidies; and to provide an appropriation.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. REMODELING OF A NURSING FACILITY TO MEET THE REQUIREMENTS OF ASSISTED LIVING AND BASIC CARE - PILOT PROJECT ON ASSISTED LIVING RENT SUBSIDIES. Before March 1, 2010, the department of human services shall grant $350,000 to a facility under section 23-16-01.1 which incurs a transfer of the location of the facility's beds and a change of operator before June 1, 2009, for costs associated with the remodeling of the facility. In order to receive a grant, a facility shall agree to:

1. Meet the requirements of both an assisted living facility and a basic care facility;

2. Use at least $50,000 of the grant to conduct a rent subsidy pilot project for at least four assisted living residents; and

3. Report to the department of human services on the success of the rent subsidy pilot project compared to the basic care assistance program.

SECTION 2. APPROPRIATION. There is appropriated out of any moneys in the health care trust fund, not otherwise appropriated, the sum of $350,000, or so much of the sum as may be necessary, to the department of human services for the purpose of providing a grant as provided for in section 1 of this Act, for the biennium beginning July 1, 2009, and ending June 30, 2011. The department of human services may not spend this funding prior to January 1, 2010."

Renumber accordingly

Date: 3/16/09

Roll Call Vote #: 1

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. HB 1327

Senate Human Services Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number .0201

Action Taken ☐ Do Pass ☐ Do Not Pass ☐ Amended ☐ Rerefer to Appropriations

☒ Adopt Amendment ☐ Reconsider

Motion Made By Sen. Heckaman Seconded By Sen. Dever

Senators	Yes	No	Senators	Yes	No
Senator Judy Lee, Chairman	✓		Senator Joan Heckaman	✓	
Senator Robert Erbele, V.Chair	✓		Senator Richard Marcellais	✓	
Senator Dick Dever	✓		Senator Jim Pomeroy	✓	

Total (Yes) 6 No 0

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Date: 3/16/09

Roll Call Vote #: 2

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. HB 1327

Senate Human Services Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken ☒ Do Pass ☐ Do Not Pass ☒ Amended ☒ Rerefer to Appropriations

☐ Adopt Amendment ☐ Reconsider

Motion Made By Sen. Heckaman Seconded By Sen. Dever

Senators	Yes	No	Senators	Yes	No
Senator Judy Lee, Chairman	✓		Senator Joan Heckaman	✓	
Senator Robert Erbele, V.Chair	✓		Senator Richard Marcellais	✓	
Senator Dick Dever	✓		Senator Jim Pomeroy	✓	

Total (Yes) 6 No 0

Absent 0

Floor Assignment Senator Heckaman

If the vote is on an amendment, briefly indicate intent:

Date: 3/16/09

Roll Call Vote #: 3

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. HB 1327

Senate Human Services Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken ☐ Do Pass ☐ Do Not Pass ☐ Amended ☐ Rerefer to Appropriations

☐ Adopt Amendment ☒ Reconsider

Motion Made By Sen. Heckaman Seconded By Sen. Dever

Senators	Yes	No	Senators	Yes	No
Senator Judy Lee, Chairman			Senator Joan Heckaman		
Senator Robert Erbele, V.Chair			Senator Richard Marcellais		
Senator Dick Dever			Senator Jim Pomeroy		
Voice Vote Carried.					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Adopted by the Human Services Committee
March 16, 2009

3-16-09

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1327

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to provide for the remodeling of a nursing facility to meet the requirements of assisted living and basic care and a pilot project on assisted living rent subsidies; and to provide an appropriation.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. REMODELING OF A NURSING FACILITY TO MEET THE REQUIREMENTS OF ASSISTED LIVING AND BASIC CARE - PILOT PROJECT ON ASSISTED LIVING RENT SUBSIDIES. Before March 1, 2010, the department of human services shall grant $350,000 to a facility under section 23-16-01.1 which incurs a transfer of the location of all the facility's beds and a change of operator before June 1, 2009, for costs associated with the remodeling of the facility. In order to receive a grant, a facility shall agree to:

1. Meet the requirements of both an assisted living facility and a basic care facility;

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3. Report to the department of human services on the success of the rent subsidy pilot project compared to the basic care assistance program.

SECTION 2. APPROPRIATION. There is appropriated out of any moneys in the health care trust fund, not otherwise appropriated, the sum of $350,000, or so much of the sum as may be necessary, to the department of human services for the purpose of providing a grant as provided for in section 1 of this Act, for the biennium beginning July 1, 2009, and ending June 30, 2011. The department of human services may not spend this funding prior to January 1, 2010."

Renumber accordingly

Date: 3/16/09

Roll Call Vote #: 4

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. HB 1327

Senate Human Services Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number put "all" back in

Action Taken ☐ Do Pass ☐ Do Not Pass ☐ Amended ☐ Rerefer to Appropriations
☒ ~~Adopt Amendment~~ further amend ☐ Reconsider

Motion Made By Sen. Heckaman Seconded By Sen. Dever

Senators	Yes	No	Senators	Yes	No
Senator Judy Lee, Chairman	✓		Senator Joan Heckaman	✓	
Senator Robert Erbele, V.Chair	✓		Senator Richard Marcellais	✓	
Senator Dick Dever	✓		Senator Jim Pomeroy	✓	

Total (Yes) 6 No 0

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Date: 3/16/09

Roll Call Vote #: 5

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. HB 1327

Senate Human Services Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken ☒ Do Pass ☐ Do Not Pass ☒ Amended ☒ Rerefer to Appropriations

☐ Adopt Amendment ☐ Reconsider

Motion Made By Sen. Heckaman Seconded By Sen. Dever

Senators	Yes	No	Senators	Yes	No
Senator Judy Lee, Chairman	✓		Senator Joan Heckaman	✓	
Senator Robert Erbele, V.Chair	✓		Senator Richard Marcellais	✓	
Senator Dick Dever	✓		Senator Jim Pomeroy	✓	

Total (Yes) 6 No 0

Absent 0

Floor Assignment Senator Heckaman

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1327, as engrossed: Human Services Committee (Sen. J. Lee, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1327 was placed on the Sixth order on the calendar.

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to provide for the remodeling of a nursing facility to meet the requirements of assisted living and basic care and a pilot project on assisted living rent subsidies; and to provide an appropriation.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. REMODELING OF A NURSING FACILITY TO MEET THE REQUIREMENTS OF ASSISTED LIVING AND BASIC CARE - PILOT PROJECT ON ASSISTED LIVING RENT SUBSIDIES. Before March 1, 2010, the department of human services shall grant $350,000 to a facility under section 23-16-01.1 which incurs a transfer of the location of all the facility's beds and a change of operator before June 1, 2009, for costs associated with the remodeling of the facility. In order to receive a grant, a facility shall agree to:

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3. Report to the department of human services on the success of the rent subsidy pilot project compared to the basic care assistance program.

SECTION 2. APPROPRIATION. There is appropriated out of any moneys in the health care trust fund, not otherwise appropriated, the sum of $350,000, or so much of the sum as may be necessary, to the department of human services for the purpose of providing a grant as provided for in section 1 of this Act, for the biennium beginning July 1, 2009, and ending June 30, 2011. The department of human services may not spend this funding prior to January 1, 2010."

Renumber accordingly

2009 SENATE APPROPRIATIONS

HB 1327

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1327

Senate Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: March 23, 2009

Recorder Job Number: 11371

Committee Clerk Signature Rose Laning

Chairman Holmberg: called the committee hearing to order on HB 1327 which relates the nursing facility beds.

Robin Weisz: Representative District 14 introduced and testified in favor of HBB 1327. This bill is dramatically different from the one sent by the House. Not only is the community of Steele losing its lease, but also their beds. With moratorium on beds, they lost the value of beds that they could've sold to someone else. The 50 bed facility is closed as of now. It made a onetime moratorium. This bill will help in conversion to basic care facility. And also money for a pilot project for assisted living. It wasn't that facilities fault that they got caught in the middle of the moratorium and changing over to

This is something the state did, not them and they are forced to live with it. We usually come back and fix problems.

V. Chair Bowman: When they leased those bed, who did they lease them to? And did they end up with the bed counts after the lease was terminated?

Robin Weisz: MedCenter 1 leased them and they are now over in the Mandan facility.

V. Chair Bowman: So Mandan got them in their new facility. Did the state aware that you wanted those beds back?

Robin Weisz: Health Dept. made a ruling prior to Steele pulling out. When they realized they didn't have the beds, it was too late to get them back.

Senator Kilzer: If this bill is approved, what prevents other nursing homes from using this same tactic?

Robin Weisz: I don't think of it as a tactic. The beds are worth a million bucks, then why turn around and ask the state for $300,000.

Senator Kilzer: That question had to be asked at the time of leasing, why would any nursing home lease its' beds to another entity?

Robin Weisz: One reason was because there wasn't any value to those beds when they entered into that lease agreement. No one was aware that they didn't control the beds. No one understood or realized that the beds were transferred to the facility; they assumed they owned the beds with the lease. This is something we put into place. It was 1999 when we offered the 2 for 1 bed buy down. We have a commodity market currently trading for nursing home bids.

Senator Warner: This is confiscation. Did Steele facility challenge this in court? The Mandan facility should have paid money for them.

Robin Weisz: I know there were discussions, but the lease was expiring in a short amount of time and they knew if they challenged this in court, they wanted to insure the residents were taken care of and entered into a short term transition agreement. It wasn't in their best interests to go to court. What resources would they have left after court fees?

Senator Warner: Is the Mandan facility contributing anything other than transition?

Robin Weisz: They are contributing $5000 on transitional lease. They are getting paid about 10 cents on the dollar.

Senator Robinson: What is the situation of potential to fill bed with assisted living? What kind of accounts do we have? This has been hard at staff –

Robin Weisz: I do know they are currently conducted business analysis in hope they'd have skilled care beds available. Want to look at all three. The numbers reflect the elderly. The staff was offered positions within their system. I think 93 employees were working in system.

V. Chair Bowman: Why did they lease this to Med Center 1 in the first place?

Robin Weisz: I can't speak for the board, but they looked at trying to manage the board by themselves and they thought it was by far in the best interest of their facility that Med Center 1 help them and the assets kept up and relieve them of a lot of responsibilities.

Carol Johnson: Steele resident testified in favor of HB 1327. No written testimony. It had provisions for 75% of our bed back because we would love assisted care and basic care for our people. Right now it's called Neighbor to neighbor. Have 5 units of six apartments. They take care of themselves. There comes a time when that is not enough. I have a 94 year old mother, and we check on her morning and night, medical alert and we're worrying about her safety. The waiting lists were available. It was her social center. On Sunday's they would go to nursing home to listen to music. She doesn't know what she wants to do. The people who built it sold shares. They wanted to invest in future for elderly. Now you're asking us to say "Go wherever you need to go". We want those elderly people in our community, we want our young people to learn about service to elderly. Teach them community service. Most of the people who went to the home on Sunday can't drive in Bismarck. We have senior companions. We know the moratorium ahs to be lifted sometime. In future, there will be many more nursing home facilities. Our people stay out as long as they can. If you lifted the beds, they want to stay home as long as they can. The Medicaid wants them to be independent. Give us our opportunity to have our nursing home. I don't see a fully equipped facility setting empty. Assisted living is private pay. Meanwhile there are 25 cities that have nursing homes; they are

full and closed admissions. The matters of whether you survive or not are based upon occupancy rate.

Chairman Holmberg: Focus on the $350,000 from Health care trust fund.

Carol Johnson: I don't know if it's a wise decision to focus on skilled care. I can't answer that question. Is $350,000 better than nothing? Yes. I can't answer, I'm sorry. I testified when the bill was in original form.

Chairman Holmberg: anyone testifying focusing on the money issue

Loren DeWitz: Bismarck resident and former Steele resident testified in favor of HB 1327 in its original form. No written testimony.

Torn between what we need to do. Kidder County is an aged population. When you lift moratorium, something needs to go back in this area maybe 6 – 8 years down the road.

Chairman Holmberg: Health care trust fund. What is balance prior to removing $350,000 as of today?

Roxanne Woeste, Legislative Council: End of 07-09 biennium $50,000. Need to be reconciliation between his bill and HB 1012.

Chairman Holmberg: There has to be reconciliation of the money, but lets' let the subcommittee look at this one.

Chairman Holmberg: Closed the hearing on HB 1327.

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1327

Senate Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: 04-01-09

Recorder Job Number: 11625 (7.20) and 11626

Committee Clerk Signature Alice Delzer

Minutes:

Chairman Holmberg called the committee to order regarding HB 1327. (7.20)

V. Chair Bowman Is that the nursing facility beds at Steele? He was told yes.

Senator Mathern This is that tough situation. Nursing home is being closed. (End of Job #11625) (The new Job #11626 starts here) The committee put on it basically helped that. Try a new business plan. **I move a Do Pass. Seconded by Senator Krauter**.

V. Chair Bowman We have a motion and a second. (He took over as chair at this time)

V. Chair Grindberg Just a question. Did the healthcare trust fund have the funds to cover this? (someone said no.) That's what I thought. There is not enough money in the fund.

Allen Knudson, Legislative Council The way dollars in this biennium are suppose to go, a certain amount (.38) in the fund. Looking at the appropriations for next biennium we would have an ending balance of about $50,000 but that does not include this appropriation. There is money being appropriated into the Human Services (HS) appropriation bill and I know you still have that bill in front of you so and you have the ability to make changes to that bill. You have a couple of options.

V. Chair Bowman What would be the right way to do this? Kill this bill and put it into that other bill. Or would it be to pass this bill and take the money out of there and put it in here.

Allen Knudson If you want to approve this bill, leave this bill the way it is, and make the adjustments in the Human Services appropriation bill you would have to add in some other funding from some other source. (1.30)

Senator Mathern I would withdraw my motion if you want to work on a different plan.

Senator Krauter I'll withdraw the second if we just put this into the Human Services budget.

Senator Christmann I think we could pass it and adjust the funding in the HS budget.

Senator Mathern It probably gives the local folks less anxiety.

SENATOR MATHERN MOVED A DO PASS. SECONDED BY SENATOR ROBINSON.

Chairman Holmberg returned at presided over the rest of the hearing.

Senator Warner As I understand this is the only source of income left in the revolving loan fund. And do those funds come in at some specific point in the biennium?

Allen Knudson gave the dollar amount and stated it is throughout the biennium .

Senator Mathern Another alternative would be to take out a grant program from commerce basically to help create jobs. That is a concern.

Senator Christmann I think one concern here is these people need to know what we do. So if we are going to give them money and sensing that is the consensus, it is just a question where it comes from. Perhaps we should pass the bill and get on with it. They know they are getting the money if they make that transition into this type of facility and we can address their things later. If we keep working with the bill and try to find the right funding source, put them over in the HS budget, and all of sudden it will be into May and their still not going to know whether they are closing or staying a long-term care or transition facility. I think we can pass the bill out and get the money from this trust fund or somewhere else.

Senator Kilzer I am not ready to support this type of request because how many other long term care facilities that are out there that will expect to be bailed out. If we don't have a better

answer than what I am hearing so far, we need to stop it before the train gets going to fast here.

Senator Warner My understanding this is based on a health department rule that the bed ownership(5.04) of the lease holder, not the owners of the facility, if the lease holder had simply left and had not been awarded the beds by the department of health those beds would have had a saleable value so it is because of the policy change in the department of health that we are found with this situation and this is a smaller innovation of that. It is a unique situation. Apparently it is the policy within the department of health that a lease holder would own the beds at the retirement of the lease. The other agencies would be certainly forewarned and we consider that implication (inaudible) (5.52)

V. Chair Bowman Wasn't this one of the cases where they really made a mistake when they leased it because they reached the bed (inaudible) and they never got them back until after the fact and they wanted to get something going back there? It seems to me there was a problem from the very beginning about the decisions that were made and they're wanting us to correct those decisions through legislation, but is that our job to try to solve the problem between a hospital that leased them and a nursing home that agreed to it.

Senator Kilzer This apparently was a misunderstanding of the end of the 8 or 10 year lease. As a tax payer I don't want my tax money being used that way. If there was a devaluation or a wrong evaluation of the value of the bed, 30 bed, so much apiece, there is a market value, and if that was revalued for some reason that should be taken care of between the parties rather than expect taxpayers to make up that difference. Like I say, It will happen again.

Senator Krebsbach I did visit with the chairman of the Senate of the HS committee and she said this cannot happen again. It is a situation whereby the leaser had taken the beds. So basically, the city of Steele owns only the property and that MedCenter (inaudible) (8.12) gave

that 10 basic care beds to the nursing home estate so that they can continue on that basis. She said it would not repeat itself again.

Senator Robinson Just a comment. Maybe Senator Mathern has good idea in terms of the commerce grants. That's the biggest employer in Kidder County and other than some potato production that is a very poor county. I grew up in it. They are close to Bismarck. They are trying to hang on to their businesses. We pay a lot more than that to try to create jobs across the state time and time again. If we look at it from that prospective maybe it makes sense in commerce as one of the grant line items and get it out of the HS budget. It is a one-time thing.

Senator Mathern There were some of the folks that came from HS committee in terms of the struggles they've had on a yes or no vote and I have suggested that this isn't just a dispute about nursing homes or basic care home but it addresses jobs in rural North Dakota. That is the way I see it. (10.00)

Chairman Holmberg We have a motion and a second. Would you call the roll on a do pass on 1327. If we pass this it will go back to Human Services.

A ROLL CALL VOTE WAS TAKEN RESULTING IN 11 YEAS, 2 NAYS, 1 ABSENT.

SENATOR JUDY LEE WILL CARRY THE BILL.

The hearing was closed on HB 1327.

Date: 4/1/09

Roll Call Vote # 1

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1327

Senate **Senate Appropriations** Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken ☑ Do Pass ☐ Do Not Pass ☐ Amended

Motion Made By Mathern Seconded By Krauter

Senators	Yes	No	Senators	Yes	No
Sen. Ray Holmberg, Ch	✓		Sen. Tim Mathern	✓	
Sen. Tony S. Grindberg, VCh		✓	Sen. Aaron Krauter	✓	
Sen. Bill Bowman, VCh	✓		Sen. Larry J. Robinson	✓	
Sen. Randel Christmann	✓		Sen. John Warner	✓	
Sen. Rich Wardner	✓		Sen. Elroy N. Lindaas	✓	
Sen. Ralph L. Kilzer		✓	Sen. Tom Seymour	✓	
Sen. Tom Fischer A					
Sen. Karen K. Krebsbach	✓				

Total Yes 11 No 2

Absent 1

Floor Assignment H Services Sen. Judy Lee

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1327, as engrossed and amended: Appropriations Committee (Sen. Holmberg, Chairman) recommends **DO PASS** (11 YEAS, 2 NAYS, 1 ABSENT AND NOT VOTING). Engrossed HB 1327, as amended, was placed on the Fourteenth order on the calendar.

2009 HOUSE HUMAN SERVICES

CONFERENCE COMMITTEE

HB 1327

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1327

House Human Services Committee

☒ Check here for Conference Committee

Hearing Date: April 17, 2009

Recorder Job Number: 11932

Committee Clerk Signature Vicky Crabtree

Minutes:

Chairman Weisz: We will call the conference committee meeting to order on HB 1327. The bill has changed quite a bit from the House and I would ask the Senate to explain their amendments.

Sen. J. Lee: This is an important bill to a lot of people and to both of the Houses. Both Houses want to get it right. There is a certain economy of scale (inaudible) can make it financially. There will be challenges even if we did what the original bill called for us to do. We visited with some service providers in the state about the importance of basic care, assisted living and senior apartments. We got information about Kidder County and that the average age is higher than the average state age is. I drove around Steele and looked at the building. People evacuated from the Fargo and Moorhead areas ended up staying in the building and it is a good and useful building. The Senate wants to help them be successful rather than continuing with something that has had challenges with keeping financially afloat. We would be better off looking into the idea of assisting them in establishing a different use like basic care, assisted living or subsidized FEMA apartments. There is a need there in the population who would probably like to stay close to homes. The facility seems to adapt itself well to doing this.

Chairman Weisz: I'm confused a little on the fiscal note. The fiscal note talks about an additional costs in respect to the additional Medicaid costs to basic care. Is that correct? There is an appropriation of $350,000 within the bill and $50,000 of that is for the pilot.

Sen. J. Lee: That is true. There would be 10 licensed basic care beds available from Med Center One that could apply to that and 11 assisted living and the balance is for additional senior apartments.

Chairman Weisz: $300,000 would be used for conversion and the $50,000 would be subsidized assisted living (drops sentence).

Sen. J. Lee: Up to 4 or at least 4 assisted living rentals. We also found from others who came to testify from other facilities that there is a very supportive group of administrators and other facilities both large and small who would work with the people in Steele in accomplishing this.

Chairman Weisz: As far as the Senate's position, what was the reason the Senate wasn't willing to offer the exemption for the Steele care?

Sen. Heckaman: The Senate gave a strong direction of keeping the moratorium in place. If we supply beds for Steele, the problem of the staffing came up. If they couldn't meet the requirements in staffing, they couldn't have a facility. My thoughts were I'd rather have something rather than nothing for Steele. This would be an option for them. The 35 beds would be put into service and would need to be billed pretty much and that is an issue too. I supported change because basic skill, assisted living and senior apartments can give a local community now is much different than 25 years ago. In assisted living you can live for many years there. To get this licensed as a skilled facility again would be difficult.

Rep. Holman: How did you come up with the $350,000?

Rep. Heckaman: We were told that is what would be available. By January there will be about $300,000 in the healthcare trust fund.

There are some funds available in the nursing homes facilities treasury yet and the building does (inaudible) rent through 2010. Bismarck facility will be providing 10 basic care beds at no cost to the facility.

Rep. Holman: In agreement with change. Assisted living does save money for the state and people.

Sen. J. Lee: The nursing home or skilled care facility is a medical model where as assisted living is a residential or social model. We found in the data we assembled that there many good service providers in the Kidder County. Those things could connect with Golden Manor and staff people could work out plans with some of those various entities to provide home and community based services in the home as well. Transportation is a need for those who cannot drive anymore in the county.

Rep. Hofstad: Rep. Weisz what kind of population we need to serve there.

Chairman Weisz: There is about 850 in the Steele area and 2700 in the county.

Rep. Hofstad: As to the level of care that is required for the population.

Chairman Weisz: I think one of the issues we have is some of the closest areas we have is Bismarck/Mandan to Steele having skilled care. Nothing for basic care in Steele area.

Rep. Heckaman: I understand that some people in that community won't be able to visit people that do need skilled care.

Chairman Weisz: Let's schedule this for Wednesday to continue HB 1327.

Sen. Dever: Sen. Heckaman put a lot of work into this. I know coming from a small town that when the Steele residents talked about the nursing home as the center of the community, that struck a chord with me as well. The facility of basic care and assisted living would be more of a social center than the skilled nursing home for the community and residents would be in a

better position to participate in those activities. When need to have those kinds of considerations be part of our (drops sentence).

Rep. Holman: The assisted living facility in our community has been added onto twice. We have 30-40 units and it's a nice facility.

Chairman Weisz: We will adjourn the conference committee meeting.

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1327

House Human Services Committee

☒ Check here for Conference Committee

Hearing Date: April 24, 2009

Recorder Job Number: 12224

Committee Clerk Signature Vicky Crabtree

Minutes:

Chairman Weisz called to order the conference committee meeting on HB 1327.

Chairman Weisz: We are discussing the nursing home in Steele. A dramatic change from the House to the Senate. I remember the House having some problems with dollars. I can only suggest amendments that could address the difference.

Rep. Hofstad: Move we use a figure of $200,000.

Chairman Weisz: Then the motion would be for $50,000 for assisted living and $150,000 for the other?

Rep. Hofstad: Yes.

Sen. J. Lee: Second.

Sen: Dever: Does that need to apply to the reference to $350,000 on line 8?

Chairman Weisz: Based on 0300 amendment. Change line 18 from 250 to 200.

Sen. Heckaman: Is it still out of the healthcare trust fund?

Chairman Weisz: Rep. Hofstad, is it still out of the trust fund?

Rep. Hofstad: Yes.

Chairman Weisz: Can't say I'm really happy about this, but understand where we are at. At least we can give them something to try and utilize this facility for the future.

Sen. J. Lee: I think we would all have liked to have seen more money in there and see the $350,000 in there. I know both committees worked hard to try and make something positive and potentially successful happen in Steele.

Chairman Weisz: They assured me that there will be some money in there.

Sen. Heckaman: Are there any funding in the grant areas?

Chairman Weisz: Not that I'm aware of any other potential they could possibly address.

Sen. J. Lee: I don't know if Dakota Medical Impact Foundation is this far west. They don't give out grant money, but know of every potential grant opportunity in the country. It might be worth their while to look into this.

Chairman Weisz: I will be having conversations with the board and make sure they keep every avenue open as far as how to make this work.

Rep. Holman: I think every concern we had came to evolve. I would have liked to seen the $350,000, but a concern we would lose it all. This is a compromise.

Roll Call Vote for Senate to Recede from the Senate Amendments and adopt amendments: 5 yes, 1 no, 0 absent.

MOTION CARRIED.

BILL CARRIER: Rep. Hofstad for the House

Sen. Heckaman for the Senate

Adopted by the Conference Committee
April 24, 2009

VR
4/25/09

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1327

That the Senate recede from its amendments as printed on page 1272 of the House Journal and pages 832 and 833 of the Senate Journal and that Engrossed House Bill No. 1327 be amended as follows:

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to provide for the remodeling of a nursing facility to meet the requirements of assisted living and basic care and a pilot project on assisted living rent subsidies; and to provide an appropriation.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. REMODELING OF A NURSING FACILITY TO MEET THE REQUIREMENTS OF ASSISTED LIVING AND BASIC CARE - PILOT PROJECT ON ASSISTED LIVING RENT SUBSIDIES. Before March 1, 2010, the department of human services shall grant $250,000 to a facility under section 23-16-01.1 which incurs a transfer of the location of all the facility's beds and a change of operator before June 1, 2009, for costs associated with the remodeling of the facility. In order to receive a grant, a facility shall agree to:

1. Meet the requirements of both an assisted living facility and a basic care facility;

2. Use at least $50,000 of the grant to conduct a rent subsidy pilot project for at least four assisted living residents; and

3. Report to the department of human services on the success of the rent subsidy pilot project compared to the basic care assistance program.

SECTION 2. APPROPRIATION. There is appropriated out of any moneys in the health care trust fund, not otherwise appropriated, the sum of $250,000, or so much of the sum as may be necessary, to the department of human services for the purpose of providing a grant as provided for in section 1 of this Act, for the biennium beginning July 1, 2009, and ending June 30, 2011. The department of human services may not spend this funding prior to January 1, 2010."

Renumber accordingly

REPORT OF CONFERENCE COMMITTEE
(ACCEDE/RECEDE)

Bill Number 1327 (, as (re)engrossed): Date: 4-17-09

Your Conference Committee Human Services

For the Senate:		YES / NO		For the House:	YES / NO		Attend.
✓	Sen. J. Lee			Rep. Weisz	✓		✓
✓	Sen. Dever			Rep. Hofstad	✓		✓
✓	Sen. Heckaman			Rep. Holman	✓		✓

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) 1272 - _____

____, and place _____ on the Seventh order.

__X__, adopt (further) amendments as follows, and place _____ on the Seventh order:

____, having been unable to agree, recommends that the committee be discharged and a new committee be appointed.

((Re)Engrossed) 1327 was placed on the Seventh order of business on the calendar.

DATE: _____

CARRIER: Rep. HOFSTAD

LC NO. 90733	of amendment 0203
LC NO:	of engrossment
Emergency clause added or deleted	
Statement of purpose of amendment	

MOTION MADE BY: Rep. HOFSTAD

SECONDED BY: Sen. J Lee

VOTE COUNT 5 YES 1 NO 0 ABSENT

Revised 4/1/05

/

REPORT OF CONFERENCE COMMITTEE
(ACCEDE/RECEDE)

Bill Number 1327 (, as (re)engrossed): Date: 4-24-09

Your Conference Committee Human Services

For the Senate:	YES	NO	For the House:	YES	NO	Attend.
✓ Sen. J. Lee	✓		Rep. Weiss		✓	✓
✓ Sen. Dever	✓		Rep. Hofstad	✓		✓
✓ Sen. Heckaman	✓		Rep. Dahlman	✓		✓

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) _____ -- _____

____, and place _____ on the Seventh order.

X, adopt (further) amendments as follows, and place _____ on the Seventh order:

____, having been unable to agree, recommends that the committee be discharged and a new committee be appointed.

((Re)Engrossed) _____ was placed on the Seventh order of business on the calendar.

DATE: _____
CARRIER: Rep. Hofstad

LC NO. of amendment
LC NO. of engrossment
Emergency clause added or deleted
Statement of purpose of amendment

MOTION MADE BY: _____

SECONDED BY: Sen. J. Lee

VOTE COUNT 5 YES 1 NO 0 ABSENT

Revised 4/1/05

REPORT OF CONFERENCE COMMITTEE

HB 1327, as engrossed: Your conference committee (Sens. J. Lee, Dever, Heckaman and Reps. Weisz, Hofstad, Holman) recommends that the **SENATE RECEDE** from the Senate amendments on HJ page 1272, adopt amendments as follows, and place HB 1327 on the Seventh order:

That the Senate recede from its amendments as printed on page 1272 of the House Journal and pages 832 and 833 of the Senate Journal and that Engrossed House Bill No. 1327 be amended as follows:

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to provide for the remodeling of a nursing facility to meet the requirements of assisted living and basic care and a pilot project on assisted living rent subsidies; and to provide an appropriation.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. REMODELING OF A NURSING FACILITY TO MEET THE REQUIREMENTS OF ASSISTED LIVING AND BASIC CARE - PILOT PROJECT ON ASSISTED LIVING RENT SUBSIDIES. Before March 1, 2010, the department of human services shall grant $250,000 to a facility under section 23-16-01.1 which incurs a transfer of the location of all the facility's beds and a change of operator before June 1, 2009, for costs associated with the remodeling of the facility. In order to receive a grant, a facility shall agree to:

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Renumber accordingly

Engrossed HB 1327 was placed on the Seventh order of business on the calendar.

2009 TESTIMONY

HB 1327

#1

Chairman Weisz and members of the House Judiciary Committee, thank you for the opportunity to testify in support of House Bill 1327. My name is Paul Bakkum and I have been a Golden Manor board member for 20 years and am currently president of the board of directors. I am speaking today representing the GM board of directors.

The Golden Manor nursing home has been in existence for over 37 years as a community owned facility with the sole purpose of providing quality care to the elderly of Kidder County and surrounding areas. We are proud of Golden Manor's reputation as a quality facility. This is demonstrated by the residents and resident families specific selection of GM because of the small town, home like atmosphere GM has provided. The citizens of Kidder County have shown an outpouring of concern over the possible loss of the only nursing home in Kidder County.

For a brief history, in 1991 GM undertook an expansion to increase from 42 to a 50 bed skilled facility. In 1998 after a number of administrator changes the GM board made the decision to hire a management firm instead of a single administrator. This was effective for 10 years until June 2008 when the management firm decided to exit from the agreement.

Throughout this time frame GM has been able to maintain occupancy of 90% or better until recently when a hold on admissions was instituted mainly due to staffing shortages.

In December 2008 in a survey of 349 Kidder County residents 82% indicated they would reside at GM if the need arose. Currently, about 25% of Kidder County's population is 65 years or older and by 2020 the population over age 65 is expected to represent 36% of the county's population. It is the GM board's assessment, that given a choice, most of the elderly of KC wish to remain in KC close to their lifelong friends and relatives.

The nationwide trend in long term care is to provide more home and community based services. North Dakota appears to be following the trend of providing more home based services, but seems to be bucking the trend of providing community based services with the construction of facilities and shifting beds to urban areas.

As a board, GM is committed to supporting and providing home care, assisted living and nursing care for Kidder County. However, the Golden Manor board cannot move forward without your support of House Bill 1327. The Golden Manor nursing home will cease to exist as a skilled facility in the very near future if skilled bed licenses are not made available. It will be a regrettable day in Kidder County if GM is unable to provide skilled nursing home care simply because licensed skilled beds are only available at a very high market price which is the by product of the moratorium.

The board of GM wishes to thank you for your time, consideration and support of House Bill 1327.

#2

Testimony of Mayor Tom Steinolfson

Chairman Weisz and members of Human Services Committee, I want to thank you for giving me the opportunity to testify in support of HB 1327 regarding the issue of providing skilled nursing beds for entities who have lost their beds through transfer in the last year. My name is Tom Steinolfson . I am currently the Mayor of Steele. I was born and raised on a farm near Mountain ND, but have called Steele my home for more than twenty years. I know first-hand how little communities band together and support each other. I am here representing the people of Steele as well as Kidder County and the surrounding communities.

I am here today to speak about the ramifications this bill has not only for Kidder County but also rural North Dakota. Golden Manor, the skilled care facility located in Steele, is a non-profit corporation founded by some far-sighted citizens who saw the need to provide for the elderly within the community as well as all the residents of Kidder County. I am sure most of you know what a skilled care facility means to a community and especially its elderly but I would like to talk a little more about what it really means to Kidder County. The closing of Golden Manor will mean that if someone from our community needs to have a loved one placed in a facility of this type they would need to travel a minimum of 40 miles to the Southeast or near sixty miles to the east or make the same trip that I made today to support this bill. The difference in me making this trip today or an elderly needing to travel to visit loved ones is that unfortunately most of those who have loved ones in this situation are not always able to travel outside their community especially the distances that I referred to earlier.

I am here to tell you that the community I serve as mayor supports Golden Manor extremely well. The support the community has for Golden Manor is very evident by all the work that has been done both in donation of time as well as financially. Golden Manor Auxiliary plays a major role in helping the residents of our facility feel welcome and at home. In 2006 the Golden Manor Auxiliary, a strictly volunteer group, received state and national recognition as being number one in regards to enhancing the quality of life for the residents of Golden Manor. The Auxiliary has risen over $75,000 to help beautify and update different areas so that Golden Manor residents can live in comfortable and beautiful surroundings. The auxiliary continues to create many programs to help the residents live in an atmosphere that is enjoyable as well comfortable but also lets them be remembered for things they have accomplished in their lives. Many of the volunteers after years of service to the auxiliary often become residents of the Golden Manor when they can no longer take care of themselves. Please let us continue to support these volunteers by allowing us to provide for them in their "golden years" as a token of our appreciation for all that they have done for the residents in the past. Our community businesses as well as other members of the community strive to serve the residents as well. For example, a simple request to the local grocery store or something from the pharmacy can be delivered in less than fifteen minutes in most cases. Many of our elderly who can no longer drive or don't drive in larger cities will go to the Golden Manor to visit the residents several times a week. Community members don't mind taking a few minutes to drive someone to the nursing home to visit a loved one. Our community will readily go "the extra mile" to help the Golden Manor residents, who we consider our friends and neighbors.

Please allow us to continue to show our commitment to the elderly of North Dakota by allowing us to continue operating Golden Manor as well as help other facilities in rural North Dakota that we believe will fall to the same fate.

I would also like to remind everyone that our facility has welcomed loved ones from the community that we stand in today as well as other large communities throughout ND from time to time because the resources for skilled care become full due to continually growing populations in our larger cities in the state. We believe our proximally to the community of Bismarck helps us stay viable well into the future.

All of us are aware of how the rural areas of the state are struggling to survive and Kidder County is no exception. The loss of more than 80 jobs in a county with a population of slightly fewer than 2,500 will have a devastating effect on not only on our local economy, but will trickle over to neighboring counties as well. Every person, every family, every business, and every community in Kidder County will suffer if Golden Manor closes. Many of the employees of Golden Manor are "tied to the land" so to speak because their families are involved in farming or other agriculture related occupations. These employees simply can't pick up and move to other areas to follow the jobs. Commuting to other facilities because of the distances involved is also not always an option. Remember the residents and employees of Golden Manor thankfully have chosen to live in rural North Dakota and seem to enjoy this type of lifestyle.

I must take this time and apologize for the smaller than usual group of supporters today, but Steele lost one of its community members and the funeral was scheduled for the same time as this hearing. Small communities are known for banding together when tragedy strikes and Steele is no exception. Many of our strongest supporters felt a need to support the family in their time of need and so could not attend today's hearing.

In conclusion I personally feel that the moratorium on licensed beds in ND needs to be visited not only for this situation but also so that what has happened to our facility does not happen to other communities in ND as we believe it will. By supporting HB 1327 you are allowing our community to continue to serve our elderly as we have in the past. Thank you for listening to our concerns and please support HB1327 with a do pass recommendation.

#3

Testimony from Citizens To Save Golden Manor

Chairman Weisz and members of the House Human Services Committee, thank you in advance for allowing me to speak in support of HB1327. My name is Carol Johnson and I am President of the Citizen to Save Golden Manor and represent the 550 plus residents who signed these petitions indicating an interest in saving Golden Manor.

I am here to address three issues that are probably of paramount concern to the committee. Issue one - Can Golden Manor be financial viable? Issue two - Can Golden Manor maintain an occupancy rate of 90% or better? Issue three - Can Golden Manor find the necessary nursing and support staff to meet the needs of the residents.

The answer to issue one is yes with careful, sound management, Golden Manor can be financially viable. There are currently 29 other nursing homes in North Dakota which operate facilities with 50 beds or less. The results of a December 2008 survey sent to the nursing home administrators of those facilities indicated that 87% of the respondents believed that their facility will still be operating 10-15 years from now. Furthermore, the majority of the administrators indicated that they were currently operating in the black. Therefore, it seems reasonable to assume that Golden Manor, like ~~their~~ its counterparts throughout the state, would also be financially viable if awarded the beds.

In addition, if Golden Manor was awarded the beds, it would like to institute a pilot program designed to assess the effectiveness of working cooperatively, rather than competitively, with other small nursing facilities. Golden Manor wants to explore the cost effectiveness of the sharing of certain services such as administration and accounting, or the purchasing of food and supplies in bulk with other small facilities. In addition, the Lewis and Clark Economic Development Commission has informally pledged to be of assistance to Golden Manor once the number of beds is established and the business plan is completed. However, without any assurance of beds, none of this will be possible.

The answer to the second issue regarding the ability to maintain an occupancy rate of 90% or higher is also YES. With the exception of this past year when a hold was placed on admissions, Golden Manor has always been able to maintain a yearly occupancy rate of 90% or higher. A recent survey of 363 Kidder County residents indicated that 82 percent would choose Golden Manor if they needed nursing home care. There are approximately 625 Kidder Country residents who are 65 years or older and of those 625 residents 75 of them are 85 years or older and the numbers are expected to increase in future years. By year 2015, it is projected that 36% of Kidder County's population will be 65 years or older.

We all know that as people age their chances of entering a nursing home greatly increases. National recommendations for the availability of beds for the 85 and over population are 453 beds per 1,000 people in that age group and not 60 per 1,000 as some people in North Dakota are advocating. Considering that North Dakota ranks number one in the nation as having more residents 85 years or older per capita than any other state, it is safe to project that the demand for skilled beds will continue to outstrip the supply of beds available if changes to the moratorium are not made. No one can predict who may need nursing home care in the future. Everyone in this room is only a breath away from possibly needing nursing care -- a heart attack, a stroke, or tragic accident could incapacitate any one of us. Therefore, please restore Golden Manor's beds so it can continue meeting the needs of the residents of Kidder County and the surrounding areas.

Contrary to what you might have heard, the majority of the residents at Golden Manor come from Kidder County and the surrounding rural areas. As of January 30, 2009, there were 28 residents remaining at the Golden Manor. Of those 28 residents, 20 were Kidder County residents. In addition, upon being told that Golden Manor would be closing another 12 Kidder County residents transferred to other facilities in the surrounding areas. Not because they were dissatisfied, but because they did not want to go to the facility that was suggested to them. Clearly, in the past Golden Manor has been operated primarily to meet the needs of the elderly and disabled of Kidder County and if granted the beds Golden Manor would continue to meet their needs in the future. Please grant Golden Manor the beds so it can continue serving those individuals in need of 24-hour nursing care or supervision.

The third issue in regards to being able to staff Golden Manor is more difficult to answer because we all know that there is a shortage of nursing staff, particularly CNA's . However, Golden Manor should have no more difficulty than other facilities in the recruiting of staff because they are planning on instituting a benefit package that is comparable to other nursing facilities and are exploring the possibility of offering CNA training locally. Furthermore, job opportunities are limited in rural areas like Kidder County which has an unemployment rate of 4.5%. On the other hand, Burleigh County, with an unemployment rate of only 2.5 %, has a large number of jobs available in a variety of different sectors, not just health care. Also, Steele is strategically located on I-94 and is only 30 minutes from Bismarck and 45 minutes from Jamestown and some people prefer working in a small, close-knit work setting rather than in larger facilities. Finally, a list has been compiled of present and former employees who have indicated their desire to work at Golden Manor. However, without the beds, Golden Manor cannot offer them jobs or make plans to move forward.

Finally, several weeks ago upon the recommendation of the ND Health Department and in cooperation with the ND Long Term Care Association, an ad for soliciting the purchasing of beds was placed on the Long Term Care website. To date, no facilities have indicated a willingness to sell beds. If there are beds available, obviously the facilities are holding them either for future use or in hopes the selling price will go above the current price of $20,000 a piece. Where should Golden Manor go to find the so-called available beds if this bill is not passed? No one seems to have a list of available beds for purchase.

Based upon the testimony you have heard today, we urge you to support HB 1327. Vote with your heart and your intellect. Vote yes with your heart so you can sleep tonight knowing you made the right decisions for our elderly and disabled citizens. Vote yes with your intellect because it makes perfect sense to continue operating a fully-paid for facility with a 37 plus year reputation for providing quality care If for some unforeseeable reason in the future Golden Manor would have to close, then Golden Manor would return the beds to the state as outlined in the bill. However, please give us the opportunity to continue operating Golden Manor. If future circumstances would ever warrant the closing of Golden Manor, please let it die a natural death. I beg you not to prematurely pull the plug on Golden Manor. Instead vote yes giving a do pass recommendation so Golden Manor can continue to serve our elderly and disabled citizens. Thank you for listening to my testimony.

KEY REASONS TO SUPPORT HB 1327

* Golden Manor has a 37 year history of providing quality care.

* Golden Manor is a fully paid for facility with no debt and has assets to continue operating if given the beds. To close such a facility does not make sense.

* Golden Manor has always maintained a 90% occupancy rate or better until recently when admissions were put on hold.

* Currently 25% of Kidder County's population is 65 years or older and by 2020 36% of the population will be 65 years or older.

* A recent survey of 363 Kidder County residents indicated that 82% of those surveyed would want to reside at Golden Manor is the need arose.

* The Golden Manor Auxiliary has received national recognition as being the best in the nation and has contributed over $75,000 for improvement projects and necessary equipment.

* Businesses and community members "go the extra mile' to meet the needs of the residents of Golden Manor in a timely, courteous manner.

* The loss of 80 plus jobs will have a devastating effect on all of Kidder County and will trickle to surrounding areas as well.

* Many of the employees are from farm families that can't relocated or because of the long distances involved commuting is not an option.

* The residents and employees have chosen to live in rural areas and they should continue to have the freedom of choice as to where they want to reside.

* North Dakota has 29 nursing facilities with 50 or less beds and when surveyed 87% of the respondents indicated that they foresaw their facilities continuing to operate in the distant future and the majority indicated that they were operating profitably.

* Upon the recommendation of the ND Health Department, a want ad to purchase beds was placed with the Long Term Care Association several weeks ago and to date no facilities have indicated they have beds available for sale.

Carol Johnson,
President of Citizens
To Save Golden Manor

#4

Testimony
House Bill 1327 – Department of Human Services
House Human Services Committee
Representative Robin Weisz, Chairman
February 2, 2009

Chairman Weisz, members of the Human Services Committee, I am Maggie Anderson, Director of the Medical Services Division for the Department of Human Services. I am not here in support of this bill, I am here today to provide information regarding House Bill 1327.

The Department understands this bill was introduced to assist the nursing facility in Steele; however, according to information we received from the Department of Health, there are other facilities that meet the criteria set forth in the bill. The fiscal note was prepared for all facilities meeting the criteria.

The Department's 2009-2011 Executive Budget is built on a monthly average of 3,132 Medicaid-occupied nursing facility beds. The beds that would be provided through this bill are not included in the Executive Budget. If additional beds are added to the total statewide licensed bed capacity, the Medicaid program would be expected to have increased expenditures.

Section 1, number 2 indicates that a facility qualifying under this bill would be able to be licensed for up to seventy-five percent of the facility's previous capacity. The Steele nursing home is currently licensed for fifty beds. Seventy-five percent of this is 37 beds. The other facilities impacted by this bill have already decreased licensed bed capacity. The previous occupancy for the other facilities was 38 beds higher; seventy-five percent of this which would result in 29 beds eligible for re-licensure under the provisions of this bill. The total licensed capacity increase that could occur is 66 beds. At a 95% occupancy rate times the statewide

average Medicaid occupancy of 54%, the increased number of beds not currently included in the Executive Budget is 34 (19 beds are related to Steele and 15 beds related to the other facilities.)

The estimated average nursing facility rate for in-state nursing homes, used to prepare the 2009-2011 Executive Budget is $170.71 per day.

Using the Medicaid occupancy of 34 beds, the daily rate of $170.71, and 23 months of services in 2009-2011, the total expected increase in Medicaid expenditures for all facilities is $ 4,057,094, of which $1,500,313 are general funds. The portion of the $4.1 million expected increase attributable to Steele is $2.3 million of which $.8 million are general funds.

Section 1, Item 2 also indicates the facility must license the new beds by June 1, 2010; however, the beds may be licensed and occupied sooner. The fiscal note is based on an August 1, 2009 occupancy for all beds. For each month prior to June 2010 that a bed is not licensed, approximately $5,121 per bed can be subtracted.

I would be happy to address any questions that you may have.

#5

Testimony on HB 1327
House Human Services Committee
February 2, 2009

Good Morning Chairman Weisz and members of the House Human Services Committee. My name is Rosanne Schmidt, Vice President of Behavior Health, Transitional Care Unit (TCU) and Rehab Services at St. Alexius Medical Center. I am also Vice Chairman of the North Dakota Long Term Care Association (NDLTCA). St. Alexius Medical Center is a member of the NDLTCA through our 19 licensed skilled nursing facility beds (TCU). The NDLTCA represents assisted living facilities, basic care facilities and nursing facilities. I am here to testify in opposition to HB 1327, which proposes to create an exception to the nursing facility moratorium. We support the moratorium and wish to share with you why we believe it is good public policy.

HB 1327 proposes to allow an exception to the nursing facility moratorium for entities that meet certain criteria. Based upon review of the legislation by the Health Department more than one facility could potentially receive beds under HB 1327. See Attachment A for their complete analysis. We support continuing the moratorium for three reasons:

1. North Dakota is considered to still have a high bed count when you consider the beds per one thousand elderly. North Dakota is currently at 68.9 beds per thousand elderly and the United States average is 49.3. At this point in time, this is still the best yard stick for measuring need and excess capacity. (See Attachment B and Attachment C) Experts today indicate we should be planning for no more than 40 beds per 1000 elderly.
2. The fiscal note to expand facilities beyond our current bed count will be significant. Even with the beds decreasing, the nursing facility budget increases an average of 9% every biennium. This has been the rate of increase since the 97-99 biennium. (See Attachment D)

3. The desire of individuals to receive care and services within their own homes, thus any expansion of services should be at that sector rather than at the institutional sector. (See Attachment E and Attachment F)

Past legislative bodies have recognized that a mal-distribution of beds has occurred. In essence, beds may not be in the area where the greatest demand exists. For example, today the four major cities have a population of 263,677 which is 41% of North Dakota's overall population. At the same only 32.6% of the nursing facility beds are located in the four area cities. To address the potential mal-distribution you have authorized the buying, selling and relocation of beds.

First you allowed a two for one sale, meaning in order to sell one bed, you also needed to "give-up" one bed. The bed that was "given up" left the system never to be licensed again. That process removed beds from the total count, as well as allowed for a redistribution of beds. This process occurred for a number of years, until we requested that anyone be allowed to sell and move their beds without giving any up.

In 2001, you also authorized a nursing facility bed buyout program. Again the purpose of the program was to get rid of the perceived excess capacity. Under the program the Department of Human Services would make a quarterly request for bed buyout offers. The Department would pay up to $15,000 per licensed nursing facility bed if the facility closed, up to $12,000 per licensed nursing facility bed if the facility closed at least eight beds or more and up to $8,000 per licensed nursing facility bed if the facility reduced its capacity by seven or fewer beds. The buyout program operated through June 30, 2003. In the end, two facilities closed (New Town-30 beds and Bottineau-32 beds) and a total of 286 beds were reduced from the overall bed count. The total dollars expended for the state to purchase and remove the 286 beds from the system cost $3,435,874. (See Attachment G)

Today, beds are being relocated through the process of buying and selling. (See Attachment H) For the most part, rural facilities are selling their beds and their urban counter parts are bidding and buying the beds. This allows beds, which may have been sitting empty, to move to areas where they are in greatest demand. This has allowed rural nursing facilities the ability to obtain cash for their "empty" beds, urban areas to better meet the demand for more beds, the state not to expend additional dollars over the current bed count and the citizens of North Dakota to have access to a more balanced continuum of care.

Once you buy a bed, you are allowed four years to license that bed and put it in service. Whoever owns the beds controls whether they will be sold. This process seems to work well. From January 1, 2009 through the fall of 2010 we will have over 300 rural beds move into the four major cities. (See Attachment I) Only once have we had an entity buy beds and not put them in service within the four year period of time. As you may recall, it was the Turtle Mountain Band of Chippewa Indians that found themselves in that difficult situation. When it was determined they were not able to put their beds in service they quickly worked to sell their beds to other nursing facilities, who then still needed to license those beds within the original forty-eight month process. The Turtle Mountain Band of Chippewa Indians was able to re-sell the majority of their long term care beds.

In 2001 when you authorized the bed buyout program you also gave nursing facilities the authority to convert any or all of their skilled nursing facility beds to basic care beds. This flexibility was allowed and aimed at rural facilities where a gap in care was perceived. Some individuals were seeking admission to the nursing facility, did not meet the skilled criteria and remaining at home was not working. The solution was to allow nursing facilities to convent a portion of their skilled capacity to basic care. Under the 2001 provision, facilities are allowed to:

1. Convert beds once a year,
2. Must convert a minimum of five beds,
3. Allowed to convert basic care beds back to skilled after one year,

4. Can sell the converted basic care beds to anyone, however the new owner does not have the authority to convert their new basic care beds back to skilled.

As of May 2008, nursing facilities that were using this provision included:

Facility	Location	Number of Beds
Southwest Health Care Services	Bowman	5
Four Seasons Health Care	Forman	5
Good Samaritan Society - Mott	Mott	9
Good Samaritan Society – Osnabrock	Osnabrock	6
St. Catherine's Living Center	Wahpeton	16
Pembilier Nursing Center	Walhalla	13
Total		54

We believe the moratorium, which allows for the buying and selling and relocation of beds is the most prudent public policy for the state and its citizens. We believe removing the moratorium and expanding the total number of facilities or beds is not the right direction at this time.

Thank you for the opportunity to testify regarding HB 1327. I would be happy to answer any questions you may have.

Rosanne Schmidt, Vice President of Behavior Health, TCU and Rehab Services
St. Alexius Medical Center
900 E Broadway • PO Box 5510 • Bismarck, ND 58506-5510
(701) 530-4890 • www.st.alexius.org • E-mail: rschmidt@primecare.org

Bartz, Darleen R.

From: Engel, Monte D.
Sent: Friday, January 16, 2009 11:48 AM
To: Bartz, Darleen R.
Cc: Pritschet, Bruce R.; Torpen, Lucille D.
Subject: HB1327

Here is the information you requested on the potential impact of Section 1.2:

1. First criteria – transfer of the location of the facility's beds. Of the currently licensed 83 nursing facilities, 35 have transferred beds.
2. Second criteria – change of operator in the facility's physical location before June 1, 2009. Of the 35 nursing facilities meeting criteria no. 1, 11 have had a change of operator since 1996 (our files only contain license applications back to this year).
3. Third criteria – may be licensed for up to seventy-five percent of the facility's previous bed capacity. Of the 11 nursing facilities meeting criteria no. 2, 5 facilities have a current bed capacity below 75% of the previous bed capacity. Towner Co. Living Center would be eligible for 10 beds, Four Seasons Health Care would be eligible for 12 beds, Western Horizons would be eligible for 4 beds, Good Samaritan Society–Rock View would be eligible for 2 beds, and St. Rose Care Center would be eligible for 1 bed. (This information is based on their bed capacity on August 1, 1997.)
4. Please note that these facilities may have decreased bed capacity by delicensure and/or transfer. The bill states that the facility must have transferred beds, but is unclear on the possibility that a facility may have voluntarily decreased some beds without a transfer to another facility and whether the facility is eligible to get these beds back. If the bill would only apply to those beds which have been specifically transferred to another facility, then there is one facility eligible to get beds back (Western Horizons).

If you have any questions on this information, or need any other information, please let me know.

Monte Engel PE
Mgr. Building Standards/Life Safety Code
Division of Health Facilities
North Dakota Department of Health
600 E. Boulevard Ave., Dept. 301
Bismarck, ND 58505-0200
phone: 701.328.2352
fax: 701.328.1890
email: mengel@nd.gov

Nation Wide Report on Nursing Facility Beds Per 1,000 Elderly

Attachment B

State	Population 65+	Total Beds	NF Beds Per 1,000 Elderly
AK	35,699	725	20.3
HI	160,601	3,890	24.2
AZ	667,839	16,405	24.6
NV	218,929	5,439	24.8
OR	438,177	12,749	29.1
FL	2,807,597	82,240	29.3
NM	212,225	6,923	32.6
WA	662,148	22,635	34.2
CA	3,595,658	127,051	35.3
SC	485,333	18,333	37.8
WV	276,895	10,936	39.5
MI	1,219,018	48,239	39.6
VA	792,333	31,682	40.0
ME	183,402	7,390	40.3
UT	190,222	7,824	41.1
ID	145,916	6,195	42.5
DC	69,898	3,030	43.3
VT	77,510	3,431	44.3
NC	969,048	43,832	45.2
AL	579,798	26,613	45.9
PA	1,919,165	88,735	46.2
NJ	1,113,136	51,531	46.3
DE	101,726	4,753	46.7
CO	416,073	19,915	47.9
MD	599,307	28,999	48.4
US	34,991,753	1,725,326	49.3
NY	2,448,352	120,784	49.3
GA	785,275	39,965	50.9
KY	504,793	26,217	51.9
WY	57,693	3,051	52.9
NH	147,970	7,829	52.9
MS	343,523	18,308	53.3
TN	703,311	37,646	53.5
WI	702,553	38,619	55.0
RI	152,402	8,918	58.5
MA	860,162	50,704	58.9
TX	2,072,532	123,473	59.6
MN	594,266	35,925	60.5
MT	120,949	7,348	60.8
OH	1,507,757	93,791	62.2
SD	108,131	6,816	63.0
CT	470,183	30,135	64.1
IL	1,500,025	103,028	68.7
OK	455,950	31,394	68.9
ND	94,478	6,514	68.9
AR	374,019	25,969	69.4
NE	232,195	16,282	70.1
LA	516,929	36,740	71.1
MO	755,379	54,332	71.9
KS	356,229	26,043	73.1
IN	752,831	56,413	74.9
IA	436,213	39,587	90.8

Sources:

1. The State Long-Term Health Care Sector Data Resource Book: 2006 Update
Reimbursement and Research Department American Health Care Association: March 2007
2. Population 65+: U.S. Bureau of the Census, U.S. Census 2000, (http://www.census.gov/main/www/cen2000.html)
3. Nursing Facility Beds: CMS OSCAR Nursing Facility Current Survey, June 2006.

NURSING FACILITY AND BASIC CARE BEDS PER THOUSAND		
Region and Area	**Nursing Facility Beds Per 1000 Elderly**	**Basic Care Beds Per 1000 Elderly**
I – Williston	60.47	28.48
II – Minot	59.06	15.62
III – Devils Lake	68.81	17.03
IV – Grand Forks	71.40	14.42
V – Fargo	60.55	19.26
VI – Jamestown	76.66	19.01
VII – Bismarck	61.06	15.37
VIII – Dickinson	72.02	13.36
Statewide Averages	65.3	17.25
Statewide Goal*	60.0	15.0

Information based on ND Department of Health, Long Term Care Capacity Information (2007), as of July 18, 2007.

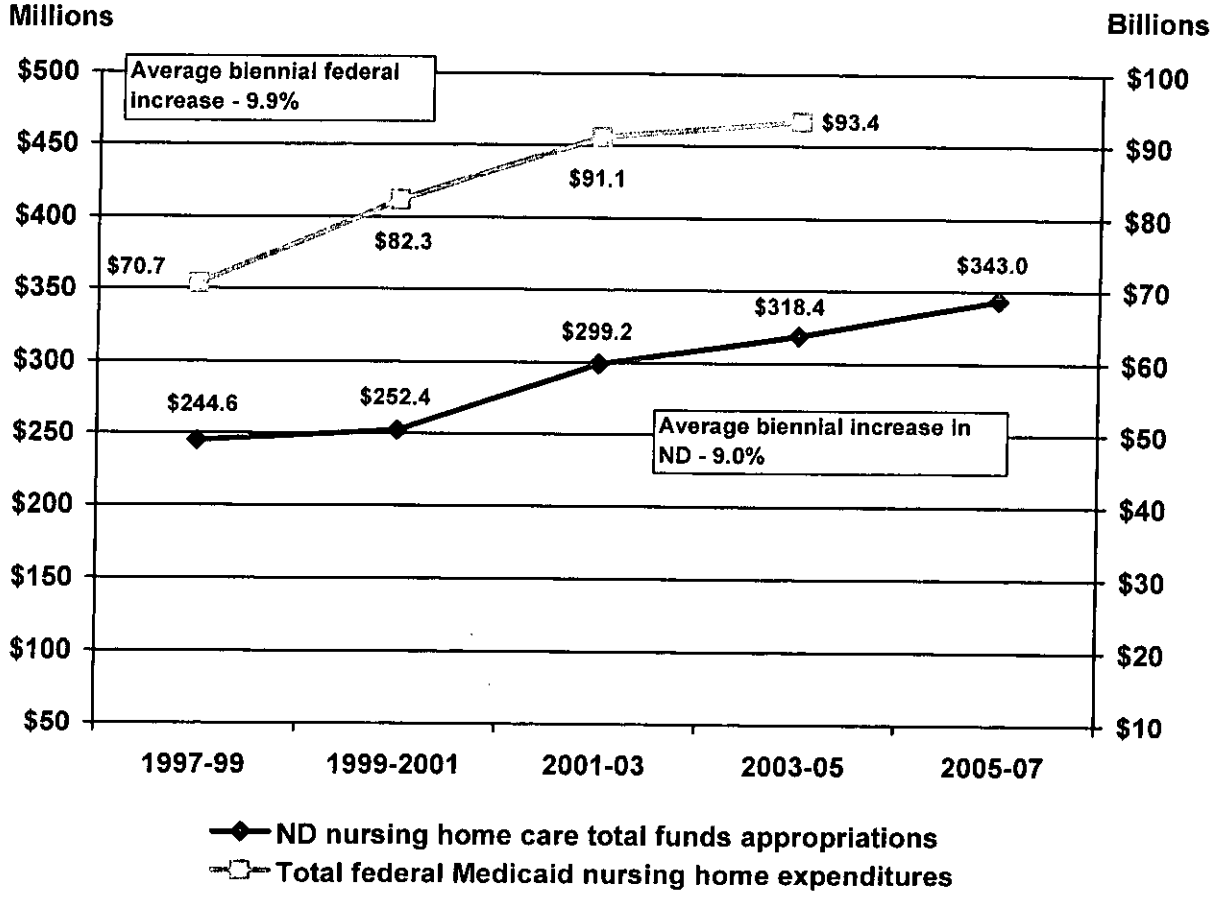
*Nursing facility goal established by North Dakota Taskforce on Long-Term Care Planning in 1996

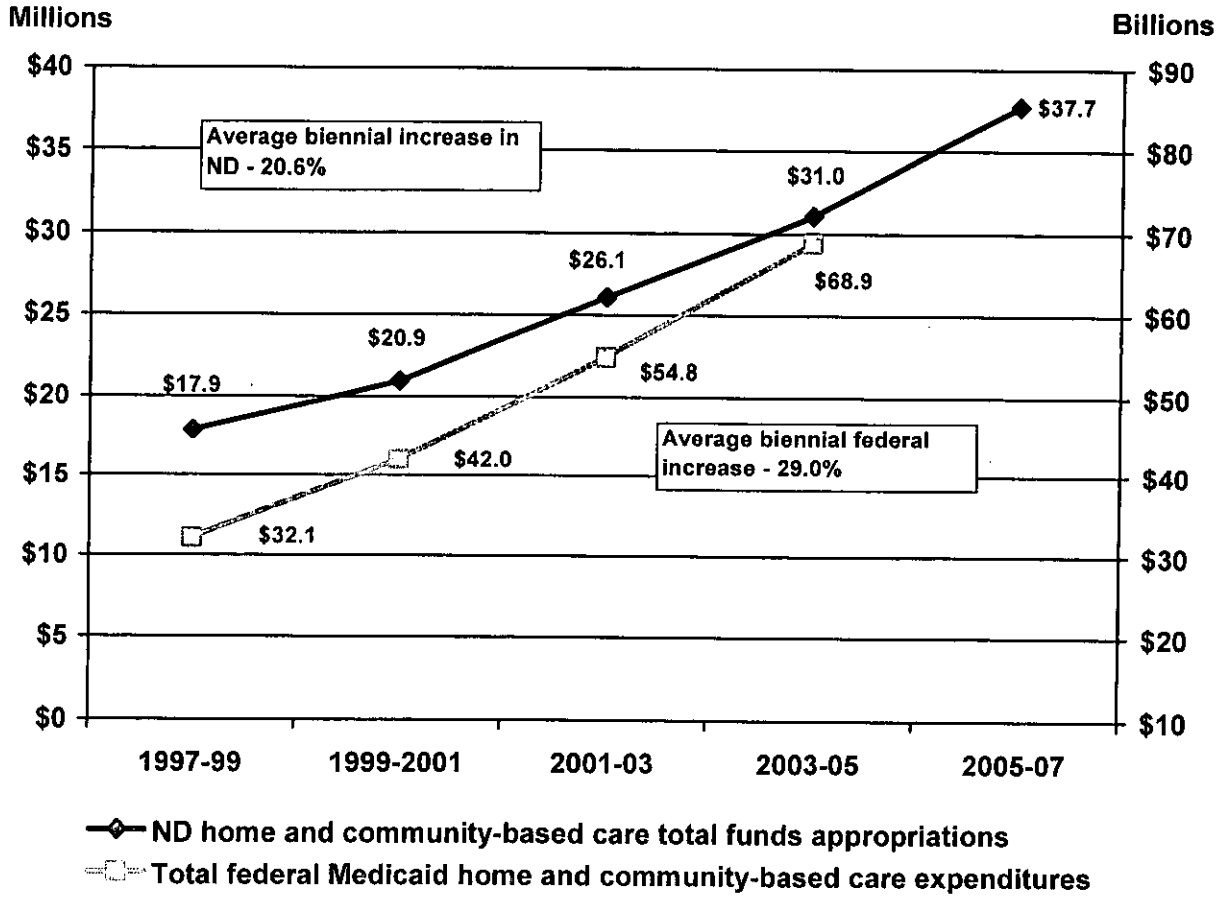
*Basic Care Goal established by State Health Council in 1994.

In 1996, thirteen years ago, North Dakota had 89 beds per thousand elderly, the sixth highest rate in the nation.

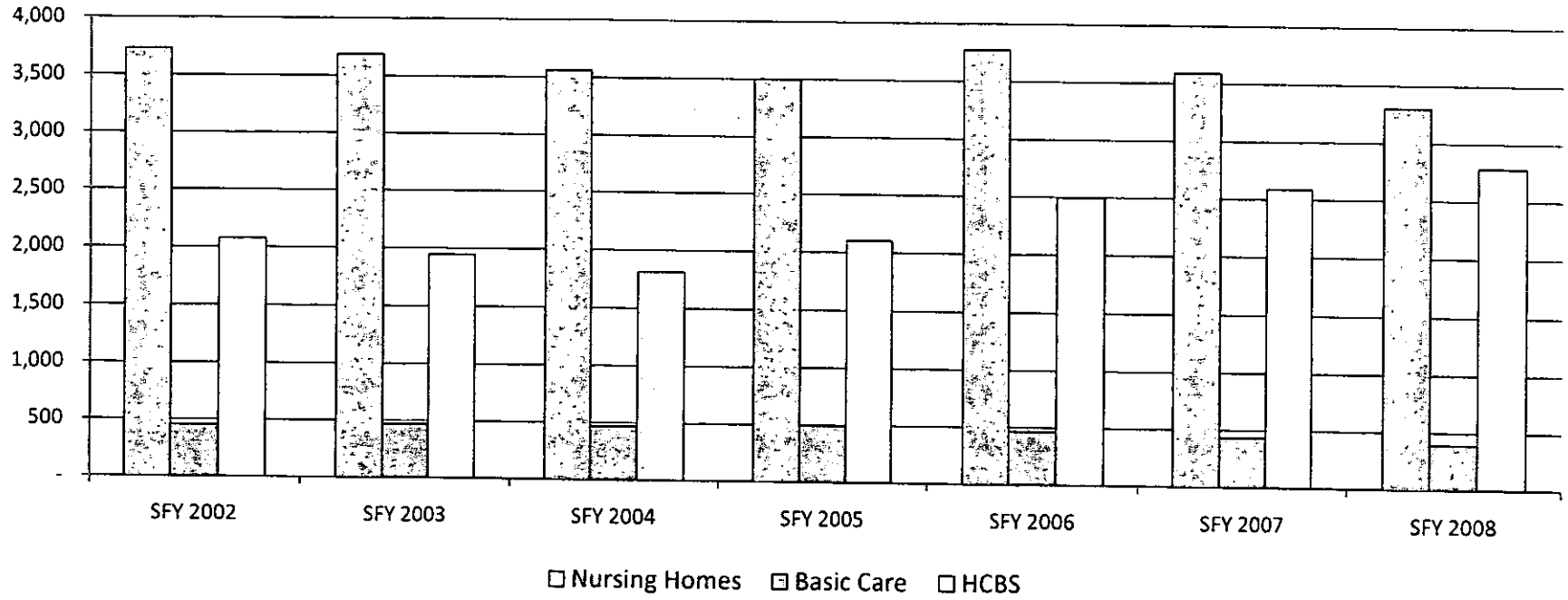
The most recent report on beds per 1,000 elderly (Attachment A) shows North Dakota has fallen to eighth place in the ranking and the good news is that its at 68.9 beds per 1,000 elderly (not 89 per 1,000 elderly)

North Dakota Long Term Care ASSOCIATION
1900 N 11th St 701.222.0660
Bismarck, ND 58501 www.ndltca.org


Millions
Billions
$500
$450
$400
$350
$300
$250
$200
$150
$100
$50
$100
$90
$80
$70
$60
$50
$40
$30
$20
$10
Average biennial federal increase - 9.9%
Average biennial increase in ND - 9.0%
$70.7
$82.3
$91.1
$93.4
$244.6
$252.4
$299.2
$318.4
$343.0
1997-99
1999-2001
2001-03
2003-05
2005-07
ND nursing home care total funds appropriations
Total federal Medicaid nursing home expenditures


Millions
Billions
$40
$35
$30
$25
$20
$15
$10
$5
$0
$90
$80
$70
$60
$50
$40
$30
$20
$10
Average biennial increase in ND - 20.6%
Average biennial federal increase - 29.0%
$17.9
$20.9
$26.1
$31.0
$37.7
$32.1
$42.0
$54.8
$68.9
1997-99
1999-2001
2001-03
2003-05
2005-07
ND home and community-based care total funds appropriations
Total federal Medicaid home and community-based care expenditures

ATTACHMENT E: Trends in Long Term Care



	Nursing Homes	Basic Care	HCBS
SFY 2002	3,730	456	2,078
SFY 2003	3,688	473	1,947
SFY 2004	3,561	469	1,813
SFY 2005	3,501	497	2,104
SFY 2006	3,777	466	2,499
SFY 2007	3,591	439	2,591
SFY 2008	3,305	397	2,785

Source: Medical Services, ND Department of Human Services, September 2008

Department of Human Services
2009 - 2011 Budget to House
Where Does the Money Go?
Long Term Care Continuum (Excluding DD Grants)
Total Funds $501,986,472

.03
Basic Care

.13
Home & Community Based Services

.84
Nursing Homes

ATTACHMENT F

BED BUYOUT INCENTIVE PAYMENTS

Offers Approved As Of 6-30-2003

Round		Location	Facility	Beds	Per Bed Offer	Total Offer	Payments Authorized	Beds Delicensed
1	1	New Rockford	Lutheran Home of The Good Shepherd	2	$8,000.00	$16,000	$16,000	2
1	2	Larimore	Larimoure Good Samaritan Center	8	$12,000.00	$96,000	$96,000	8
1	3	Bottineau	St Andrew's Health Center	32	$15,000.00	$480,000	$480,000	32
1	4	Devils Lake	Devils Lake Good Samaritan Center	4	$8,000.00	$32,000	$32,000	4
1	5	Westhope	Westhope Home	11	$11,500.00	$126,500	$126,500	11
1	6	Oakes	Oakes Good Samaritan Center	8	$12,000.00	$96,000	$96,000	8
1	7	Osnabrock	Osnabrock Good Samaritan Center	4	$8,000.00	$32,000	$32,000	4
1	8	Northwood	Northwood Deconess Health Center	8	$10,999.75	$87,998	$87,998	8
1	9	Dickinson	St. Benedict's Health Center	8	$11,400.00	$91,200	$91,200	8
1	10	Harvey	St. Aloisius Medical Center	10	$12,000.00	$120,000	$120,000	10
1	11	Ellendale	Prince of Peace Care Center	5	$8,000.00	$40,000	$40,000	5
1	12	Lamoure	St Rose Care Center	10	$11,400.00	$114,000	$114,000	10
1	13	Strasburg	Strasburg Nursing Home	8	$12,000.00	$96,000	$96,000	8
1	14	Hatton	Tri-County Retirement & Nursing Home	2	$7,500.00	$15,000	$15,000	2
1	15	Crosby	Crosby Good Samaritan Center	9	$12,000.00	$108,000	$108,000	9
1	16	McVille	Nelson County Health System Care Center	6	$8,000.00	$48,000	$48,000	6
1	17	Rugby	Heart of America Nursing Facility	23	$12,000.00	$276,000	$276,000	23
1	18	Williston	Bethel Lutheran Home	3	$8,000.00	$24,000	$24,000	3
1	19	Dunseith	Dunseith Community Nursing Home	4	$8,000.00	$32,000	$32,000	4
1	20	Wahpeton	St. Catherine's Living Center	20	$11,400.00	$228,000	$228,000	20
1	21	Garrison	Benedictine Living Center	8	$11,400.00	$91,200	$91,200	8
1	22	Underwood	Prairieview Health Center Inc.	8	$11,997.00	$95,976	$95,976	8
1	23	Arthur	Arthur Good Samaritan Center	17	$12,000.00	$204,000	$204,000	17
1	24	Wishek	Wishek Home For The Aged	8	$12,000.00	$96,000	$96,000	8
1	25	New Town	Good Samaritan Center	30	$15,000.00	$450,000	$450,000	30
4	26	Killdeer	Hill Top Home of Comfort	9	$12,000.00	$108,000	$108,000	9
5	27	Parshall	Rock View Good Samaritan Center	5	$8,000.00	$40,000	$40,000	5
7	28	Lisbon	Lisbon Area Health Services Nursing Facility	8	$12,000.00	$96,000	$96,000	8
8	29	Williston	Bethel Lutheran Home	8	$12,000.00	$96,000	$96,000	8
			Total	286		$3,435,874	$3,435,874	286

		Total Offers	$3,435,874 286
Uncommitted Funds	**$664,126**	Total Outstanding	$0 0

Attachment H

Redistribution of Nursing Facility and Basic Care Beds
From Rural to Urban North Dakota

January 2009

BISMARCK-MANDAN

Community	Facility	Nursing Beds	Nursing Sub-Acute Beds	Basic Care Beds	Expansion NF Beds	Expansion BC Beds	Time Frame	How Beds Increased
Bismarck	MedCenter One Subacute Unit		22					
Bismarck	St. Alexius Transitional Care Unit		19					
Bismarck	Baptist Home Inc.	141		10				
Bismarck	Missouri Slope Lutheran Care Ctr	250						
Bismarck	St Vincent's Care Center	101						
Bismarck	Benedictine Living Center				71		June 2010	Re-distribution within Corp*
Bismarck	The View			28				
Bismarck	Maple View II East			20				
Bismarck	The Terrace			40				
Bismarck	Waterford on West Century			20				
Bismarck	Edgewood Vista			48		25	December 13, 2007	Basic Care Need
Bismarck	Good Samaritan Society				48	18	May 2010	Re-distribution within Corp**
Mandan	Medcenter One Care Center	128						
Mandan	Medcenter One Care Center				50		February 2009	Move Steele Beds to Mandan
	Totals	620	41	166	169	43		
	Percentage of Increase				27%	26%		

*Benedictine Living Center: 22-Dickinson, 14-Wahpeton, 8-LaMoure, 9-Ellendale, 11-Garrison, 7-Undetermined at this time.
**Good Samaritan Society: 13-Devils Lake, 7-Osnabrock, 20-Crosby, 5-Lakota, 2-Mohall, 1-Park River.

Traumatic Brain Injury Facilities

Community	Facility	Head Injury NF	Head Injury BC
Mandan	Dakota Alpha	20	
Mandan	Dakota Pointe		10
	Totals	0	10

Attachment H

Redistribution of Nursing Facility and Basic Care Beds
From Rural to Urban North Dakota

January 2009

FARGO - WEST FARGO

Community	Facility	Nursing Beds	Nursing Sub-Acute Beds	Basic Care Beds	Expansion NF Beds	Expansion BC Beds	Time Frame	How Beds Increased
Fargo	MeritCare Transitional Care Unit		33					Transferring (1)
Fargo	Elim Care Center	136						
Fargo	Rosewood on Broadway	111						
Fargo	Manor Care of Fargo ND, LLC	109			22		July 2009	Purchased by Bid (2)
Fargo	Villa Maria	140						
Fargo	Bethany Homes	192			40	36	BC-Nov 2009/NF-Jan 2010	BC Need & Purchased by Bid (3)
West Fargo	Eventide Senior Living			24	45		December 2009	Purchased by Bid (4)
Fargo	Good Samaritan Society - Fargo			30				
Fargo	Good Samaritan Society - Fargo				7			Re-distribution within Corp (5)
Fargo	Evergreens of Fargo			72				
Fargo	Edgewood Vista			33				
Fargo	Waterford at Harwood Groves			20				
	Totals	688	33	179	114	36		
	Percentage of Increase				17%	20%		

(1) Transferring 33 beds: 16 - Bethany Homes; 17 - Eventide Senior Living
(2) Manor Care of Fargo ND, LLC: 8-Hatton; 4-Walhalla, 4-Cooperstown, 6-Hillsboro
(3) Bethany Homes: 8-Grafton, 6-Wishek, 15-Devils Lake, 11-Hettinger. 78 Total: Previous 40 + 16 Meritcare + 22 from University facility.
(4) Eventide Senior Living: 16-Northwood, 8-Strasburg, 5-Devils Lake, 9-Hettinger, 7-Dunseith, 17-Meritcare
(5) Good Samaritan Society: 3-Park River, 4-Parshall

Attachment H

Redistribution of Nursing Facility and Basic Care Beds
From Rural to Urban North Dakota

January 2009

GRAND FORKS

Community	Facility	Nursing Beds	Basic Care Beds	Expansion NF Beds	Expansion BC Beds	Time Frame	How Beds Increased
Grand Forks	Parkwood Place Inn		40				
Grand Forks	St. Anne's Guest Home		54				
Grand Forks	Woodside Village	118					
Grand Forks	Edgewood Grand Forks Senior Living				20	Approved 10/16/03	Basic Care Need
Grand Forks	The View				15	Approved 03/14/06	Basic Care Need
Grand Forks	The View				7	January 2006	Purchased By Bid (1)
Grand Forks	The View				4	December 2008	Re-distribution within Corp (2)
Grand Forks	Tufte Manor				15	March 2008	Purchased By Bid (3)
Grand Forks	Tufte Manor				15	October 22, 2008	Purchased By Bid (3)
Grand Forks	Tufte Manor				15	February 2011	Purchased By Bid (3)
Grand Forks	Valley Eldercare Center	176		19		April 2010	Purchased by Bid (4)
	Totals	294	94	19	91		
	Percentage of Increase			6%	97%		

(1) The View: 7-Bowman
(2) The View: 4-Bismarck
(3) Tufte Manor: 15-Turtle Mountain Band of Chippewa, 18-Wilton; 12-Jamestown
(4) Valley Eldercare Center: 3-McVille, 4-Hatton, 9-Cando, 3-Forman

Attachment H

Redistribution of Nursing Facility and Basic Care Beds
From Rural to Urban North Dakota

January 2009

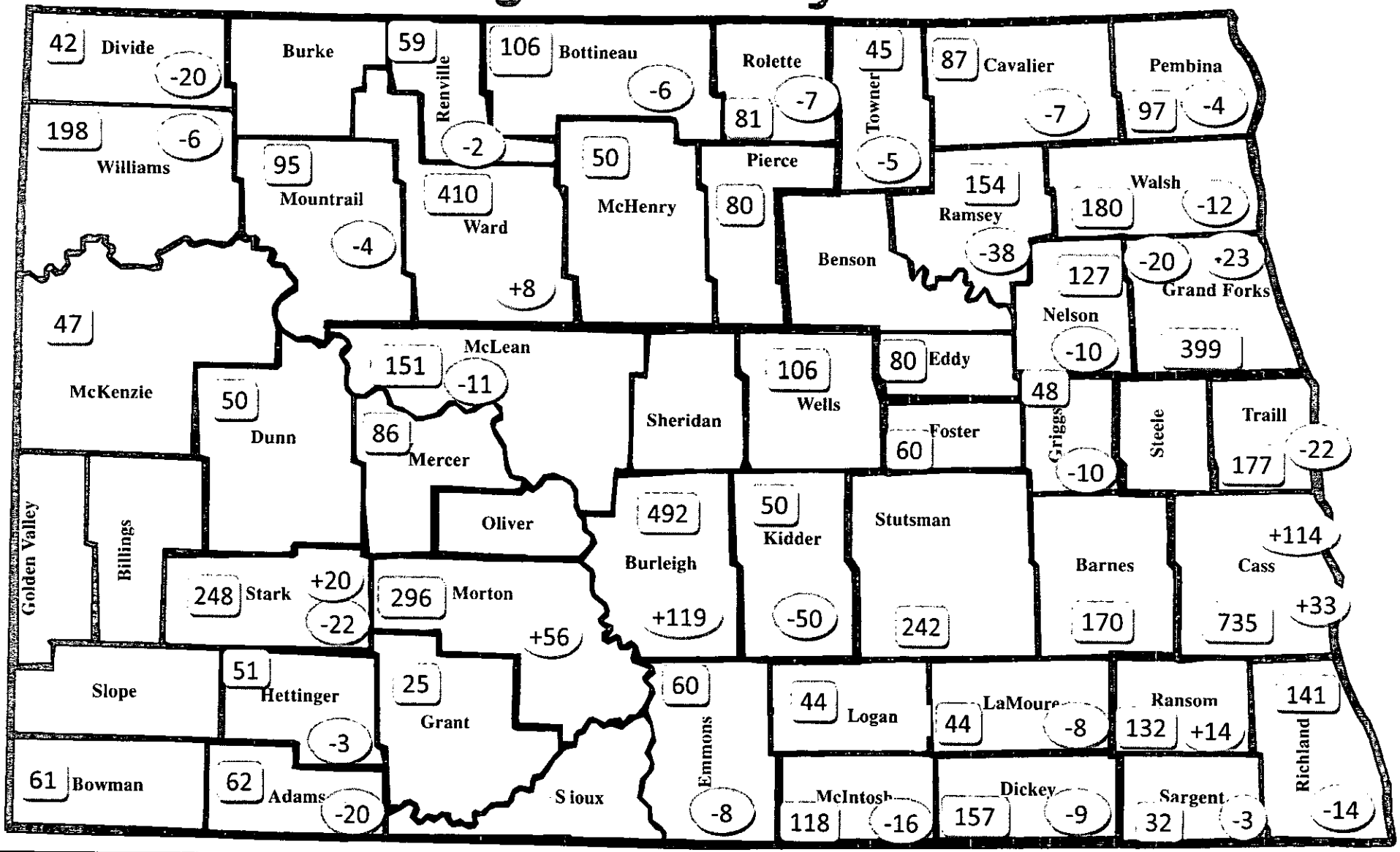
MINOT

Community	Facility	Nursing Beds	Basic Care Beds	Expansion NF Beds	Time Frame	How Beds Increased
Minot	Edgewood Vista		31			
Minot	Edgewood Vista - ARD		22			
Minot	Emerald Court		28			
Minot	Trinity Nursing Home	292				
Minot	Manor Care of Minot ND, LLC	106		8	July 2009	Purchased By Bid (1)
	Totals	398	81	8		
	Percentage of Increase			2%		

(1) Manor Care of Minot ND, LLC: 8-Hatton

ATTACH

Nursing Facility Beds



Purple Box – Number of licensed nursing facilities beds as of January 1, 2009.
Red Box – Number of licensed nursing facility beds decreased or expected to decrease from county (sold or transferred).
Green Box – Number of licensed nursing facility beds expected to increase in the county (purchased or transferred).

#6

Testimony on HB 1327
House Human Services Committee
February 2, 2009

Good Morning Chairman Weisz and members of the House Human Services Committee. My name is Greg Hanson, President /CEO of Valley Memorial Homes (VMH) and Administrator of Valley Eldercare Center (VEC) in Grand Forks, ND. I am here to testify in opposition to HB 1327, which proposes to create an exception to the nursing facility moratorium.

HB 1327 proposes to allow an exception to the nursing facility moratorium when certain criteria are met. If this criteria is met by organizations/communities that have already downsized their nursing facilities could get 75% of those bed licenses back into operations. HB 1327 could greatly increase the number of nursing facility bed licenses in the State of North Dakota.

The Greater Grand Forks area has less than 40 nursing facility bed licenses per 1000 people over age 65 which is well below the North Dakota average of 68.9 and the National average of 49.3. In recent years Valley Memorial Homes has been purchasing bed licenses and has increased its skilled nursing facility bed licenses by 16 and 23 basic care bed licenses. In addition to those already in service VMH has purchased an additional 23 skilled facility bed licenses that will be part of a new Transitional Care Unit (TCU) and 22 basic bed licenses. The total cost of these purchased bed licenses is over $600,000.00. With the addition of TCU bed licenses the Greater Grand Forks area will be up to 40 bed licenses per 1000 people over 65 in the area.

The moratorium has reduced the number of bed licenses in over served areas and the ability to purchase bed licenses has provided a way to transfer them to under served areas. If HB 1327 is passed it will provide a way to get around the moratorium which will reduce the value of the bed licenses to a worthless level and will make it next to impossible under current laws to control the number of nursing facility bed licenses in North Dakota.

VMH supports the moratorium and would strongly encourage you to vote against HB 1327.

Thank you for the opportunity to testify regarding HB 1327. I would be happy to answer any questions that you may have.

Greg Hanson, President/CEO
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Grand Forks, ND 58201
701-787-7905; E-mail ghanson@valleymemorial.org

#7

Testimony on HB 1327
House Human Services Committee
February 2, 2009

Good Morning Chairman Weisz and members of the House Human Services Committee. my name is Karissa Olson and I am the Administrator of Heartland Care Center in Devils Lake. I'm testifying in opposition of HB 1327, which proposes to create an exception to the nursing facility moratorium. I support this moratorium and wish to share with you my experience.

Since 2007, Heartland Care Center has sold 20 beds in order to "right size" our care center and allow the beds to be moved into communities of need. In 2007 when we sold our first 10 beds, the price was $15,000 per bed. In 2008, the 10 beds that sold were at $18,100 per bed. This has allowed me to sell beds to stay above 90% occupancy as well as generate $331,000 of revenue for our facility to assist with expenses. There is incentive built into our reimbursement system for facilities to maintain 90% occupancy and in order to do that, facilities are selling beds to facilities with need. In the end, the communities that have a need for beds have been able to get them. If this bill should pass, the beds that I sold would be worthless and cause the state to have more beds than has been deemed necessary to meet the needs of our citizens.

Thank you for the opportunity to testify regarding HB 132. I would be happy to answer any questions.

Karissa Olson, Administrator
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#1

SUPPORT FOR HB 1327 BY CITIZENS TO SAVE GOLDEN MANOR

Chairman Lee and members of the ~~House~~ Human Services Committee, thank you in advance for allowing me to speak in **support** of HB1327. My name is Carol Johnson and I am President of the Citizen to Save Golden Manor and represent the 550 plus residents who signed these petitions indicating an interest in saving Golden Manor.

HB 1327 provides a means of recourse for the owners of facilities to continue operating even though a managing entity terminates the leases. This bill so to speak "evens the playing field" by giving the owners the OPTION to continue operation. Without passage of HB 1327, the owners of the facility are left with a building and equipment designed to be used as a nursing home, but can no longer be used for its designed purpose. In this particular case, Golden Manor will cease to exist as of March 2009 because the licenses for the beds and the remaining residents will be transferred to the Bismarck/Mandan area.

HB 1327 remedies a flaw in the wording and/or interpretation of the licensing of beds which gives the lessee sole control of the beds which can then be transferred or sold to the highest bidder. Other leasing agreements, such as car leases, do not automatically allow the lessee to own the car once the lease expires. Why should the leasing entity of a nursing home have sole control over the licensed beds? Why should the owners be forced to suspend operation of their facility which effectively reduces competition among nursing homes and limits the freedom of choice for the residents of the facility?

At this point in time, the method by which the beds are being transferred is unique to Golden Manor in Steele, but it could become an issue in the future for 20 to 30 other nursing facilities that are community owned, but are operated by a different leasing entity such as a medical facility or religious order. Will these facilities also be forced to close?

The intent of the moratorium and the buying and selling of beds was so underutilized or unoccupied beds could be transferred to areas where there was a greater need for the beds. The intent of the moratorium was never for the TRANSFERRING OF OCCUPIED BEDS. How does the transferring of occupied beds relieve the shortage of beds in the area to which the beds are being transferred?

Next, I challenge the fiscal note that is attached to this bill. The fiscal note was prepared BEFORE an amendment was added and was based on an addition of 66 beds into the system and the cost of inspecting a new facility. The most beds that Golden Manor can receive is 37 of its original 50 beds. Furthermore the Human Services Department estimates that there is a 54% chance that the 37 beds will be filled with a Medicaid recipient, which simply means that the beds might serve 20 Medicaid recipients. Would the expenditures for those 20 Medicaid recipients be less at another facility? Absolutely, not!!

According to our calculations, the state could possibly incur an additional expenditure of $794,240 (See attachment entitled True Costs of Funding for HB 1327) $794,240 is substantially less than the $4,057,094 listed on the fiscal note. As for the Health Department's inspection cost of $12,000, Golden Manor is not a new facility and has been on their list of sites to be inspected for the last 37 years so there should be no added costs to the department. Furthermore, there is a 46% chance the beds could

be filled by a private pay patient and 50/50 chance that the bed might not be filled at all. Considering the Legislature to date has spent $3,435,874 to remove 286 beds from the system by buying up beds, the possibility of spending less than $800,000 to put 37 beds back into operation seems like a real bargain. Furthermore, should the Legislature be dictating which nursing facilities receive the money for Medicaid recipients? If a Medicaid recipients requires nursing home care, does it matter in terms of expenditures where the recipient accesses those services?

Maybe the Legislature should be scrutinizing the cost of operating each nursing facility in the state because as of January 2009, there were seven or eight facilities that overspent in direct care costs and another 25 facilities that overspent in indirect costs. Together these facilities overspent in excess of $3 million. On the other hand, there were 44 nursing facilities that received incentive rewards for keeping their indirect care costs below the reimbursement rate. I would sure like to know and I am sure the legislators would also like to know, which facilities these were.

I am really sorry to hear that the Department of Human Services did not include additional funding for the elderly and disabled in their proposed budget because it is a well-known fact that North Dakota is an aging population state. However, Golden Manor should not be denied the provisions of HB 1327 because of their lack of foresight. It is common knowledge that as one ages, one's health also has a tendency to decline. With North Dakota ranking number 1 in the nation for the number of people 85 years and older per capita, it should be of no surprise that the need for nursing home services will be increasing in the future because of North Dakota's dramatically aging population.

I am here today to tell you that Kidder Country residents are committed to keeping their elderly in their homes for as long as possible. We strongly support home-based services, QSP's, assisted living, and any other services available to the elderly. However, we also realize that providing those services to rural areas is more costly because of the distances and time involved. Consequently, our elderly will be denied services. In the meantime, Kidder County has its own brand of assisted living and home care. It is called neighbor helping neighbor. We have six small apartment complexes in Steele and one in Tuttle and another in Robinson, which are used by the elderly and the residents look out for each other with occasional assistance from local nurses, aides, or service workers. Of course, none of these complexes have pools or exercise rooms, but still the needs of the elderly are being met. In addition, we have a host of unpaid caregivers, usually family members, and a multitude of volunteers who donate their time to helping our elderly remain in their home for as long as possible. However, once these service options have been exhausted and the person's health deteriorates to the point where nursing home care is the only option, we want our elderly to remain in our community and not be separated from family and friends. HB 1327 will give us the opportunity to continue providing services. I beg you to give a DO PASS recommendation to HB 1327. Thanks again for giving me the opportunity to testify.

TRUE COSTS OF FUNDING FOR HB 1327

Fiscal Note indicated that Department of Human Services' expenditures would be slightly over $4 million and that the Health Departments' Expenditures would be $12,000 for onsite inspection of the NEW facility. These figures are over-inflated for the following reasons.

1. First the bill provides that only 75% of the 50 beds (total of 37 beds) would be returned to Golden Manor.

2. Human Services gave testimony that there was a 54% chance that the beds for Golden Manor would be occupied by a Medicaid recipient. Thus, 54% of 37 equals 20 beds.

3. Average daily nursing home cost was slightly under $160 a day in 2007 with inflation let's assume the cost has risen to $170 per day. 20 beds at $170 per day equals $3,400 per day.

4. $3,400 per day times 365 days equals $1,241,000

5. Federal government reimbursement is at approximately 68% of the costs which equals $843,880.

6. $1,241,000 minus $843,880 equals $397,120 per year or $794,240 for the biennium (much less than the $4 million estimated on the fiscal note.)

7. As for the Department of Health's Inspection costs of $12,000, Golden Manor is not a new facility and is already on their list of sites to be inspected. In fact is has been for 37 plus years so there should be no added costs to the department.

8. Should the Legislature be dictating which nursing facilities receive the money for Medicaid recipients? If a Medicaid recipient requires nursing care, does it matter in terms of expenditures where the recipient accesses these services?

9. In 2009, there were eight and seven facilities which spent over the limit for state reimbursement in the direct and other direct cost categories and another 25 facilities which exceeded the indirect costs. No mention is made of which nursing facilities exceeded the limits, but the combined cost was in excess of $3 million. Is the Legislature planning to continue funding these facilities in spite of poor fiscal management?

10. The Legislature to date has spent $3,435,874 to remove 286 beds from rural nursing facilities. Meanwhile, nursing facilities are willing to pay upward to $20,000 per needed bed. Is this sound fiscal management of the North Dakota's financial resources?

NURSING FACILITY PAYMENT SYSTEM

Same handout given to Senate.

MINIMUM DATA SET FOR PAYMENT

The state adopted the Minimum Data Set (MDS) for its payment system on January 1, 1999. The MDS provides a wide array of information regarding the health status of each resident. The payment system has thirty-four rates. Each resident is evaluated at least quarterly and the intensity of their needs determines their rate classification.

EQUALIZATION OF RATES

The legislature implemented equalization of rates between Medicaid residents and self pay residents for nursing facilities in 1990. Equalization of rates requires all residents be charged the same rate for comparable services. Minnesota and North Dakota are the only states in the nation with equalization of rates. Nursing facilities are the only providers/private business subjected to an equalization rate system in the State of North Dakota.

RATE CALCULATIONS

The determination of rates is the sum of **four components**: direct care, other direct care, indirect care and property. Today's rates and limits are calculated based on the **June 30, 2006 cost report** and inflated each year. The 2007 legislature directed that rates and limits would be increased by 4% in 2008 and 5% in 2009.

Limits (the maximum that will be paid) are set for all rate components by utilizing the **2006** cost report of all Medicaid nursing facilities, arraying the facilities from least expensive to most expensive, selecting the facility at mid-point (median facility) and then adding either 10% or 20% to the cost of that median facility. The **direct care** and **other direct care** limit is established by adding **20%** to the cost of that median facility. The **indirect care** limit is established by adding **10%** to the cost of that median facility.

Direct Care Rate. Costs in the Direct Care Category include: nursing and therapy salaries and benefits, OTC drugs, minor medical equipment and medical supplies. On January 1, 2009 the direct care limit was set at $109.23 per day. Eight nursing facilities currently exceed this limit. The eight nursing facilities over the limit are spending at least $1,022,621 in nursing that will never be recouped.

Other Direct Care. Costs in the Other Direct Care Category include: food, laundry, social service salaries, activity salaries and supplies. On January 1, 2009 the other direct care limit was set at $20.70 per day. Seven nursing facilities currently exceed this limit. The seven nursing facilities exceeding the limit are spending at least $103,772 in costs that will never be recouped.

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Indirect Care. Costs in the Indirect Care Category include: Administration, pharmacy, chaplin, housekeeping salaries, dietary salaries, housekeeping and dietary supplies, medical records, insurance, and plant operations. On January 1, 2009 the indirect limit was set at $52.28 per day. Twenty-five nursing facilities currently exceed this limit. The twenty-five nursing facilities exceeding the limit are spending at least $2,021,461 in indirect care expenses. These costs will never be recouped.

Property rate includes depreciation, interest expense, property taxes, lease and rental costs, start-up costs and reasonable and allowable legal expenses. The property limit was rebased with the July 1, 2007 rates. The average property rate is $11.58 per resident per day, with a range of $2.00 to $54.18.

Occupancy Limitation – In the June 30, 2008 cost reporting period, fourteen rural nursing facilities reported twelve month occupancy averages at less than 90%. Together they incur $575,060 in penalty costs because they operate under 90% occupancy.

Incentives - A reward is provided to nursing facilities who are under the limits in indirect care. The incentive is calculated for each facility based upon their indirect costs compared to indirect limits. Facilities are able to receive .70 cents for every dollar they are below limits up to a maximum of $2.60 per resident day. In 2009, 44 nursing facilities received an incentive, with the average per day incentive at $1.94. Of the 44 nursing facilities receiving an incentive, they ranged from $0.20 to $2.60 per resident per day. Thirty-five nursing facilities are not eligible for the incentive.

Operating Margin - All nursing facilities receive an operating margin of three percent based on their historical direct care costs and other direct care costs (up to limits). The operating margin provides needed cash flow to cover up front salary adjustments, replacement of needed equipment, unforeseen expenses, and dollars to implement ever increasing regulations. The operating margin covers the gap between the cost report and the effective date of rates (this can be up to 18 months). In 2009, the average operating margin is $3.12 per resident per day.

Inflation - Rates are adjusted for inflation annually. Inflation is a rise in price levels, generally price levels long term care facilities can not control. Examples of price level increases include the 9.7% increase in health insurance and significant increases in fuel. To attract and retain adequate staff nursing facilities need to offer salary and benefit packages that reward people. Approximately 75% of a nursing facility's budget is dedicated to personnel costs. Adequate inflation adjustments are critical for salary and benefits so nursing facilities can compete in the market place. Turnover of certified nurse assistants, the largest pool of employees was 66% in 2000. In 2003, CNA turnover was at 35%. Today CNA turnover is reported at 51%. We need to offer competitive wages or turnover will continue on an upward path.

Annual inflationary adjustments are set every legislative session.

Rebasing – A limit is establish on the maximum that will be paid in each cost category. The 2005 legislature enacted legislation requiring that rates be rebased and updated at least every four years. The 2009 limits are based upon the June 30, 2006 cost report and was inflated forward to 2009. The next time limits will be rebased is January 1, 2013 using the June 30, 2010 cost report.

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NURSING HOME FUNDING

Rates of reimbursement are determined by combining direct care, other direct care, indirect care, and property costs. The limit (the maximum that will be paid) in each category is established by arraying the facilities from the least expensive to most expensive, selecting the facility at the midpoint and then adding 20% to the cost of that median facility for determining reimbursement.

Direct care includes nursing and therapy salaries and benefits, OTC drugs, minor medical equipment and medical supplies. The January 1, 2009 rate was set at $109.23 per day. EIGHT NURSING facilities spent over the limit allowed by a total amount of $1,022,621. **Which eight facilities overspent and by how much for each of those eight facilities?**

Other direct care includes food, laundry, social services salaries, activity salaries and supplies. The January 1, 2009 rate was set at $20.70 per day. EIGHT NURSING facilities spent over the limit allowed by a total amount of $103,772. **Which eight facilities overspent and by how much for each of those eight facilities?**

Indirect care includes administration, pharmacy, Chaplin, housekeeping and dietary salaries, housekeeping and dietary supplies, medical records, insurance, and plant operations. The January 1, 2009 rate was set at $52.28 per day. TWENTY FIVE NURSING facilities spent over the limit allowed by a total amount of $2,021,461. **Which twenty-five nursing facilities overspent and by how much for each of those twenty-five facilities?**

Property includes depreciation, interest expense, property taxes, lease and rental costs, start-up costs and reasonable and allowable legal expenses. The property limit was rebased with the July 1, 2007 rates. The average property rate is $11.58 per resident per day, with a range of $2.00 to $54.18. **Which facilities exceeded the average property rate and by how much for each individual facility? For example if a 100-bed facility is spending $54.18 per resident a day, their property limit would total $1,977,570 whereas the average property rate for another 100-bed facility following the average limit of $11.58 would only be $422,670.**

Occupancy Limitations - In the June 30, 2008 cost reporting period, FOURTEEN facilities had occupancy rates of less than 90%. Together they incurred $527,060 in **penalties**. Facilities that maintain 90% or more occupancy rates receive 100% reimbursement while those facilities that have less than a 90% occupancy rate receive reimbursement at whatever their occupancy rate actually was. **What was the actual occupancy rate in the fourteen facilities? Was their occupancy rates 88.5 %, 50.5% or somewhere in between? Aren't these penalties a little harsh in an industry that can't predict who will need nursing care in the future, when the care will commence or end, or duration of the care? Also, note that the penalties incurred were down $410,873 from the 2007 level when nineteen facilities paid $937,933.**

Incentives - A reward is provided to nursing facilities who are under the limits in indirect care. The incentive is calculated for each facility based upon their indirect costs compared to indirect limits. Facilities are able to receive $0.70 for every dollar they are below limit up to a maximum of $2.60 per

resident day. In 2009, 44 nursing facilities received an incentive, with the average per day incentive at $1.94. Of the 44 nursing facilities receiving an incentive, they ranges from $0.20 to $2.60 per resident per day. **Which forty-four facilities were rewarded for sound fiscal management? Shouldn't these facilities be publicly recognized?**

OTHER KEY POINTS AND QUESTIONS

North Dakota as of October 2008 had **83 skilled nursing care facilities** with a total of 6,279 skilled nursing beds with an occupancy rate of 94.3% An occupancy rate of 90% is considered full so basically our nursing homes are running at full capacity now, so where will our elderly have to go to access nursing care service?

A 2002 Study Conducted by the Center for Rural Health found that rural nursing staff have been employed longer on average than urban nursing staff, report a higher level of job satisfaction, feel a higher sense of obligation to remain in their jobs, and economic factors are more likely to drive their decision to work in nursing homes. Higher benefits and positive attitude about supervision promote retention.

* Why is there so much publicity and hype about nursing facilities that are unable to maintain an occupancy rate of 90% or better and no mention of facilities that are overspending in each of the categories?

* Why should the state of North Dakota be so concerned about the unoccupied beds in nursing facilities when the state only pays for the occupied beds?

* Based on data about facilities that received incentives and facilities that overspent, can conclusions be drawn as to what is the optimum number of beds a facility should have to operate effectively and efficiently?

* Is the trend of shifting rural nursing home beds to the four urban areas of the state meeting the needs of ALL of the elderly in North Dakota?

* Urban areas are definitely growing, but in which age groups is the growth increasing the fastest? If it is in the 65 years and over age group is it by their own choice or are they forced to move because there are no services in their home area?

* Staffing is a problem for all nursing care facilities. Will it be easier to find staff in urban areas where jobs are plentiful in a variety of health sectors, such as hospitals, clinics, assisted living and retirement centers or in rural areas where job opportunities are limited?

ADDITIONAL REASONS FOR PASSAGE OF HB 1327

* Provides a means of recourse for the owners of facilities to continue operating even though the managing entity no longer desires to manage the facility.

* Facility owners respect the leasing entity's right to terminate the lease, but should not be forced to suspend operation of their facilities which effectively reduces competition and limits freedom of choice.

* HB 1327 remedies a flaw in the wording and/or the interpretation of the licensing of beds which gives the lessee sole control of the beds which can then be transferred or sold to the highest bidder.

* Other leasing agreements such as with car leases, does not automatically allow the lessee to own the car once the lease expires.

* At this point in time, the method by which the beds are being transferred is unique to Golden Manor in Steele, but could become an issue in the future for 20 to 30 other nursing facilities that are community-owned, but are operated by a leasing agency, such as the Samaritan Society, the Benedictine Society, and other religious affiliations.

* The moratorium and the practice of buying and selling of beds was so UNOCCUPIED beds could be transferred, not for the transferring of OCCUPIED beds. The intent of the moratorium was to redistribute UNDERUTILIZED beds to areas with a shortage of beds, not to transfer UTILIZED beds and disrupt residents' lives and force the residents to leave their communities.

* The transferring of occupied beds DOES NOT relieve the shortage of beds in the area to which the beds are being transferred.

* Licensing of beds should be for the sole purpose of ensuring quality control, and not for determining the location of where the beds are located.

* Applications for licensing of beds should make clear what entity owns the facility and what entity is operating the facility and the penalties for misrepresentation of the facts should be enforced as outlined by the law. On the application for the licensing of the 50 beds for Golden Manor, it indicates under types of ownership that Golden Manor is a non-profit corporation with multi-nursing home (chain) ownership and the last change of ownership took place in 7/6/2005. The Board of Directors of Golden Manor and the community were never aware of a change in ownership.

*Testimony by the Human Service Department indicated that if an exception was made to the moratorium there was a 54% chance that the state would have to pick up the tab and that is only if the bed is occupied by a Medicaid recipient. There is also a 50-50 chance that the bed might be unoccupied since all of the residents remaining at Golden Manor will be transferred to Mandan by the end of March and basically Golden Manor will be forced to start all over. Finally, there is also a 46 % chance that the bed will be occupied by a private pay resident. The number crunchers can present the worst case scenario, but what is the reality of the situation?

#2

Testimony
House Bill 1327 – Department of Human Services
Senate Human Services Committee
Senator Judy Lee, Chairman
March 4, 2009

Chairman Lee, members of the Human Services Committee, I am Maggie Anderson, Director of the Medical Services Division for the Department of Human Services. I am here today to provide information regarding House Bill 1327.

The Department understands this bill was introduced to assist the nursing facility in Steele.

The Department's 2009-2011 Executive Budget is built on a monthly average of 3,132 Medicaid-occupied nursing facility beds. The beds that would be provided to Steele through this bill are not included in the Executive Budget. If additional beds are added to the total statewide licensed bed capacity, the Medicaid program would be expected to have increased expenditures.

Section 1, number 2 indicates that a facility qualifying under this bill would be able to be licensed for up to seventy-five percent of the facility's previous capacity. The Steele nursing home is currently licensed for fifty beds. Seventy-five percent of this is 37 beds. Assuming a 95% occupancy (35); times the statewide Medicaid occupancy of 54%; results an increase of 19 expected "Medicaid-occupied" beds, which are not included in the Executive Budget.

The estimated average nursing facility rate for in-state nursing homes, used to prepare the 2009-2011 Executive Budget is $170.71 per day.

Using the expected Medicaid occupancy of 19 beds, the daily rate of $170.71, and 23 months of services in 2009-2011, the total expected increase in Medicaid expenditures for Steele is $2.3 million of which $.8 million are general funds. The House passed this bill with no funding. If this bill is enacted, the Steele facility is expecting to re-open and fill their beds. The Department continues to believe that a portion of those beds will be occupied by Medicaid-eligible individuals.

Section 1, Item 2 also indicates the facility must license the new beds by June 1, 2010; however, the beds may be licensed and occupied sooner. The fiscal note is based on an August 1, 2009 occupancy for all beds. For each month prior to June 2010 that a bed is not licensed, approximately $5,121 per bed can be subtracted from the total estimated expenditures.

I would be happy to address any questions that you may have.

#3

Testimony of Mayor Tom Steinolfson

Chairman Lee and members of Senate Human Services Committee, I want to thank you for giving me the opportunity to testify in support of HB 1327 regarding the issue of providing skilled nursing beds for entities who have lost their beds through transfer in the last year. My name is Tom Steinolfson . I am currently the Mayor of Steele. I was born and raised on a farm near Mountain ND, but have called Steele my home for more than twenty years. I know first-hand how little communities band together and support each other. I am here representing the people of Steele as well as Kidder County and the surrounding communities.

I am here today to speak about the ramifications this bill has not only for Kidder County but also rural North Dakota. Golden Manor, the skilled care facility located in Steele, is a non-profit corporation founded by some far-sighted citizens who saw the need to provide for the elderly within the community as well as all the residents of Kidder County. I am sure most of you know what a skilled care facility means to a community and especially its elderly but I would like to talk a little more about what it really means to Kidder County. The closing of Golden Manor will mean that if someone from our community needs to have a loved one placed in a facility of this type they would need to travel a minimum of 40 miles to the Southeast or near sixty miles to the east or make the same trip that I made today to support this bill. The difference in me making this trip today or an elderly needing to travel to visit loved ones is that unfortunately most of those who have loved ones in this situation are not always able to travel outside their community especially the distances that I referred to earlier.

I am here to tell you that the community I serve as mayor supports Golden Manor extremely well. The support the community has for Golden Manor is very evident by all the work that has been done both in donation of time as well as financially. Golden Manor Auxiliary plays a major role in helping the residents of our facility feel welcome and at home. In 2006 the Golden Manor Auxiliary, a strictly volunteer group, received state and national recognition as being number one in regards to enhancing the quality of life for the residents of Golden Manor. The Auxiliary has risen over $75,000 to help beautify and update different areas so that Golden Manor residents can live in comfortable and beautiful surroundings. The auxiliary continues to create many programs to help the residents live in an atmosphere that is enjoyable as well comfortable but also lets them be remembered for things they have accomplished in their lives. Many of the volunteers after years of service to the auxiliary often become residents of the Golden Manor when they can no longer take care of themselves. Please let us continue to support these volunteers by allowing us to provide for them in their "golden years" as a token of our appreciation for all that they have done for the residents in the past. Our community businesses as well as other members of the community strive to serve the residents as well. For example, a simple request to the local grocery store or something from the pharmacy can be delivered in less than fifteen minutes in most cases. Many of our elderly who can no longer drive or don't drive in larger cities will go to the Golden Manor to visit the residents several times a week. Community members don't mind taking a few minutes to drive someone to the nursing home to visit a loved one. Our community will readily go "the extra mile" to help the Golden Manor residents, who we consider our friends and neighbors.

Please allow us to continue to show our commitment to the elderly of North Dakota by allowing us to continue operating Golden Manor as well as help other facilities in rural North Dakota that we believe will fall to the same fate.

I would also like to remind everyone that our facility has welcomed loved ones from the community that we stand in today as well as other large communities throughout ND from time to time because the resources for skilled care become full due to continually growing populations in our larger cities in the state. We believe our proximally to the community of Bismarck helps us stay viable well into the future.

All of us are aware of how the rural areas of the state are struggling to survive and Kidder County is no exception. The loss of more than 80 jobs in a county with a population of slightly fewer than 2,500 will have a devastating effect on not only on our local economy, but will trickle over to neighboring counties as well. Every person, every family, every business, and every community in Kidder County will suffer if Golden Manor closes. Many of the employees of Golden Manor are "tied to the land" so to speak because their families are involved in farming or other agriculture related occupations. These employees simply can't pick up and move to other areas to follow the jobs. Commuting to other facilities because of the distances involved is also not always an option. Remember the residents and employees of Golden Manor thankfully have chosen to live in rural North Dakota and seem to enjoy this type of lifestyle.

In light of all the news now a days about the "stimulus package" on a national level, what more can we do for South Central North Dakota than help keep 90 people employed taking care of the loved ones that have lived in our community.

As I stand here today and represent Steele as well as all of Kidder County and the surrounding communities, I ask myself how this can happen to a nursing home that has maintained above a 90% occupancy rate, never had any serious infractions from the state, and kept a strong financial standing as an organization. I don't believe this is what the state or the legislature itself was expecting to happen with this industry.

By supporting HB 1327 you are allowing our community to continue to serve our elderly as we have in the past. Thank you for listening to our concerns and please support HB1327 with a do pass recommendation.

#4

HB1327
Testimony of Paul Bakkum

Chairman Lee and members of the Senate Human Services Committee, thank you for the opportunity to testify in support of House Bill 1327. My name is Paul Bakkum and I have been a Golden Manor board member for 20 years and am currently president of the board of directors. I am speaking today representing the Golden Manor board of directors.

The Golden Manor nursing home has been in existence for over 37 years as a community owned facility with the sole purpose of providing quality care to the elderly of Kidder County and surrounding areas. We are proud of Golden Manor's reputation as a quality facility. This is demonstrated by the residents and resident families specific selection of Golden Manor because of the small town home like atmosphere the manor has provided. The citizens of Kidder County have shown an outpouring of concern over the possible loss of the only nursing home in Kidder County, plus the loss of employment for 80 staff members.

For a brief history, in 1991 Golden Manor undertook an expansion to increase from 42 to a 50 bed skilled facility. In 1998 after a number of administrator changes the Golden Manor board made the decision to hire a management firm instead of a single administrator. At the time this agreement was initiated it was difficult to predict the future implementation of a moratorium and the financial impact it would cause years later. This agreement was effective for 10 years until June 2008 when the management firm decided to exit from the agreement.

Throughout this time frame Golden Manor has been able to maintain occupancy of 90% or better until recently when a hold on admissions was instituted mainly due to staffing shortages.

In December 2008 a survey of 349 Kidder County residents indicated 82% would reside at Golden Manor if the need arose. Currently, about 25% of Kidder County's population is 65 years or older and by 2020 the population over age 65 is expected to represent 36% of the county's population. It is the Golden Manor board's assessment that most of the elderly of Kidder County, if given a choice, wish to remain in Kidder County close to their lifelong friends and relatives.

The nationwide trend in long term care is to provide more home and community based services. North Dakota is following the trend of providing more home based services, but appears to be bucking the trend of providing community based services with the construction of facilities and shifting beds to urban areas.

As a board, Golden Manor is committed to supporting and providing home care, assisted living and nursing care for Kidder County. If Golden Manor is provided 75% of the existing beds the Golden Manor board is ready to contract a large regional accounting firm specializing in nursing care facilities to assist in the development of the most viable options to staff and manage the facility. However, the Golden Manor board cannot move forward without your support of House Bill 1327. The Golden Manor nursing home will cease to exist as a skilled facility in the very near future if skilled bed licenses are not made available. It will be a regrettable day in Kidder County if Golden Manor is unable to provide skilled nursing home care simply because licensed

skilled beds are only available at a very high market price which is a by product of the moratorium.

The board of Golden Manor wishes to thank you for your time, consideration and support of House Bill 1327.

#5

Testimony on HB 1327
Senate Human Services Committee
March 4, 2009

Good Morning Chairman Lee and members of the Senate Human Services Committee. My name is Shelly Peterson, President of the North Dakota Long Term Care Association (NDLTCA). The NDLTCA represents assisted living facilities, basic care facilities and nursing facilities. I am here to testify in opposition to HB 1327, which proposes to create an exception to the nursing facility moratorium. We support the moratorium and wish to share with you why we believe it is good public policy.

HB 1327 proposes to allow an exception to the nursing facility moratorium for entities that meet certain criteria. We support continuing the moratorium for seven reasons:

1. North Dakota is considered to still have a high bed count when you consider the beds per one thousand elderly. North Dakota is currently at 64.04 beds per thousand elderly and the United States average is 49.3. At this point in time, this is still the best yard stick for measuring need and excess capacity. (See Attachment A and Attachment B) Experts today indicate we should be planning for no more than 40 beds per 1000 elderly.

   In 2001, you authorized a nursing facility bed buyout program. The purpose of the program was to get rid of the perceived excess capacity. Under the program the Department of Human Services would make a quarterly request for bed buyout offers. The Department would pay up to $15,000 per licensed nursing facility bed if the facility closed, up to $12,000 per licensed nursing facility bed if the facility closed at least eight beds or more and up to $8,000 per licensed nursing facility bed if the facility reduced its capacity by seven or fewer beds. The buyout program operated through June 30, 2003. In the end, two facilities closed (New

Town-30 beds and Bottineau-32 beds) and a total of 286 beds were reduced from the overall bed count. The total dollars expended for the state to purchase and remove the 286 beds from the system cost $3,435,874. (See Attachment C) Think of it, eight years ago you spent $3.4 million to get rid of nursing facility beds and today you are being asked to increase beds at an initial cost of over $2 million dollars. Isn't this bill counter productive to the states goal of limiting institutional growth?

2. The fiscal note to expand facilities beyond our current bed count will be significant. Even with the beds decreasing, the nursing facility budget increases an average of 9% every biennium. This has been the rate of increase since the 97-99 biennium. (See Attachment D)

3. Individuals desire to receive care and services within their own homes, thus any expansion of services should be at that sector rather than at the institutional sector. (See Attachment E and Attachment F)

4. Allowing an exception today, may open the door for others to request special consideration. Attached is a list of thirty-one nursing facilities owned by a party other than the community. (See Attachment G) Should the corporation decide the facility is not financially viable, they may make the difficult decision to close the facility. What is occurring in Steele could occur in anyone of these communities. If you open the door for Steele, these other communities will expect the same exception. Do we want to make exceptions for facilities that may never be financially viable? What is occurring in Steele occurred in New Town, ND and I would like to share with you what happened because there was a "happy ending."

   In 2001 the Good Samaritan Society decided to close the thirty bed skilled nursing facility in New Town. Good Samaritan Society proposed the closure because of staffing issues and the facility was not financially

viable. As an alternative to a skilled nursing facility, Good Samaritan Society proposed a basic care/assisted living model of care. The community was in strong protest and every meeting seemed like a heated exchange. The community did not want to lose their nursing home and the alternative model of care was not accepted.

New Town was distressed about having their elders move out of their community to a skilled facility fifteen miles away. Families were worried visitation would diminish and elders would suffer. After intense community meetings, The Good Samaritan Society closed the facility and moved the new model of care forward.

I too met with a New Town community business leader and yes they were adamant they did not want to lose their nursing home. The conversion went forward, the new remodeled basic care/assisted living model of care was opened and today the biggest distracters of the past are the loudest cheerleaders of the new model of care. The business leaders love it, seniors love it and families love it. Today, because of the interest and desire for additional basic care and assisted living units, Good Samaritan Society is completing a second expansion of this model of care in New Town. I believe the same thing could happen in Steele. The basic care/assisted living model of care doesn't require 24-hour skilled nursing care and may be the best option to assure continued care in rural North Dakota. Kidder County has also been identified for expansion of in-home services under "Money Follows the Person" program.

5. A comprehensive study of the moratorium was just completed this past year. The study was assigned to the Long Term Care Interim Committee chaired by Senator Dever. The study directed: "During the 2007-08 interim, the legislative council shall study the state's long-term care system including capacity, geographical boundaries for determining capacity, the

need for home and community-based services, a methodology to identify areas of the state which are in need of additional skilled nursing facility beds, access, workforce, reimbursement, and payment incentives. The legislation required to implement the recommendations, to the sixty-first legislative assembly."

The study was concluded and the committee recommended SB 2044 which extends the states basic care and nursing facility moratorium through July 31, 2013. SB 2044 was unanimously passed by this committee and the full Senate.

The Long Term Care Interim Committee recognized that a mal-distribution of beds was occurring, but rather than open up the moratorium, continue with the process of buying and selling beds.

Today, beds are being relocated through the process of buying and selling. (See Attachment H) For the most part, rural facilities are selling their beds and their urban counter parts are bidding and buying the beds. This allows beds, which may have been sitting empty, to move to areas where they are in greatest demand. This has allowed rural nursing facilities the ability to obtain cash for their "empty" beds, urban areas to better meet the demand for more beds, the state not to expend additional dollars over the current bed count and the citizens of North Dakota to have access to a more balanced continuum of care. Once you buy a bed, you are allowed four years to license that bed and put it in service. Whoever owns the beds controls whether they will be sold. The owner of the facility controls their destiny. No one can take them or give them away. The state does not get involved or dictate bed ownership or sales. Legal contracts between two parties determine the disposition of beds. This process works well. From January 1, 2009 through the fall of 2010 we will have over 300 rural beds move into the four major cities.

6. Fair and consistent treatment for all Communities.
   HB 1327 creates an exception to the moratorium and proposes to give free nursing facility beds to Steele, ND. Is this fair to anyone else who has spent thousands of dollars buying beds and following the rules? Recall last session, it was the Turtle Mountain Band of Chippewa Indians that found themselves in a difficult situation and they requested an exception to the moratorium law. They were not able to put their beds in service within the forty-eight months required under the moratorium and they requested a two year extension so they could build their nursing home. Turtle Mountain Tribe spent approximately one million dollars buying beds. Their exception request was killed in the Senate and the Turtle Mountain Tribe was forced to have a quick sale. Turtle Mountain Tribe wasn't able to sell all of their beds and sold their beds for far less than the million dollars they spent. Two weeks ago, Turtle Mountain Tribe contacted me again and said under the stimulus bill they maybe able to get money to build their nursing home. Their question to me was, what do we need to do to move forward with our plan. They also said they will comply with the moratorium and they outlined to me their plan to purchase beds. Under this new plan it may cost them another million dollars. How do you think they will feel if you give Steele free beds and they work and strive to comply with the moratorium?

7. Staffing is in crisis. Our greatest challenge in long term care is staffing, especially in rural North Dakota. Consider these facts:
   - 32 weeks is the average time it takes to fill an open nursing position in a rural nursing facility.
   - 17% of nursing facilities stopped admissions in 2008 because of insufficient staffing.
   - Nursing facilities reported over 1,000 open positions in April 2008 —733 openings were for Certified Nurse Assistants (CNAs).

- 49% of nursing facilities contracted with agencies in 2008 to deliver daily resident care—at double or triple the cost.
- 14% of the long term care workforce is at or over retirement age.
- The oldest caregiver in long term care is a 94-year-old dietary aide.

Rural facilities are seeing their workforce deplete and admissions slow. Many will need to consider alternative models of care that are not staff intensive to remain viable and deliver care within their communities.

We believe the moratorium, which allows for the buying and selling and relocation of beds is the most prudent public policy for the state and its citizens. We believe removing the moratorium and expanding the total number of facilities or beds is not the right direction at this time. We believe if you create an exception for one, next session you will receive additional requests.

Thank you for the opportunity to testify in opposition to HB 1327. I would be happy to answer any questions you may have.

Shelly Peterson, President
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Nation Wide Report on Nursing Facility Beds Per 1,000 Elderly

Attachment A

State	Population 65+	Total Beds	NF Beds Per 1,000 Elderly
AK	35,699	725	20.3
HI	160,601	3,890	24.2
AZ	667,839	16,405	24.6
NV	218,929	5,439	24.8
OR	438,177	12,749	29.1
FL	2,807,597	82,240	29.3
NM	212,225	6,923	32.6
WA	662,148	22,635	34.2
CA	3,595,658	127,051	35.3
SC	485,333	18,333	37.8
WV	276,895	10,936	39.5
MI	1,219,018	48,239	39.6
VA	792,333	31,682	40.0
ME	183,402	7,390	40.3
UT	190,222	7,824	41.1
ID	145,916	6,195	42.5
DC	69,898	3,030	43.3
VT	77,510	3,431	44.3
NC	969,048	43,832	45.2
AL	579,798	26,613	45.9
PA	1,919,165	88,735	46.2
NJ	1,113,136	51,531	46.3
DE	101,726	4,753	46.7
CO	416,073	19,915	47.9
MD	599,307	28,999	48.4
US	34,991,753	1,725,326	49.3
NY	2,448,352	120,784	49.3
GA	785,275	39,965	50.9
KY	504,793	26,217	51.9
WY	57,693	3,051	52.9
NH	147,970	7,829	52.9
MS	343,523	18,308	53.3
TN	703,311	37,646	53.5
WI	702,553	38,619	55.0
RI	152,402	8,918	58.5
MA	860,162	50,704	58.9
TX	2,072,532	123,473	59.6
MN	594,266	35,925	60.5
MT	120,949	7,348	60.8
OH	1,507,757	93,791	62.2
SD	108,131	6,816	63.0
CT	470,183	30,135	64.1
IL	1,500,025	103,028	68.7
OK	455,950	31,394	68.9
ND	94,478	6,514	68.9
AR	374,019	25,969	69.4
NE	232,195	16,282	70.1
LA	516,929	36,740	71.1
MO	755,379	54,332	71.9
KS	356,229	26,043	73.1
IN	752,831	56,413	74.9
IA	436,213	39,587	90.8
Sources:	1. The State Long-Term Health Care Sector Data Resource Book: 2006 Update		
	Reimbursement and Research Department American Health Care Association: March 2007		
	2. Population 65+: U.S. Bureau of the Census, U.S. Census 2000, (http://www.census.gov/main/www/cen2000.html)		
	3. Nursing Facility Beds: CMS OSCAR Nursing Facility Current Survey, June 2006.		

NURSING FACILITY AND BASIC CARE BEDS PER THOUSAND		
Region and Area	**Nursing Facility Beds Per 1000 Elderly**	**Basic Care Beds Per 1000 Elderly**
I – Williston	59.24	21.88
II – Minot	58.11	16.34
III – Devils Lake	63.42	16.32
IV – Grand Forks	70.27	17.39
V – Fargo	59.83	19.50
VI – Jamestown	74.62	18.11
VII – Bismarck	61.73	14.24
VIII – Dickinson	68.53	13.79
Statewide Averages	64.04	17.06
Statewide Goal*	60.0	15.0

Information based on ND Department of Health, Long Term Care Capacity Information (2009), as of February 28, 2009.

*Nursing facility goal established by North Dakota Taskforce on Long-Term Care Planning in 1996

*Basic Care Goal established by State Health Council in 1994.

In 1996, thirteen years ago, North Dakota had 89 beds per thousand elderly, the sixth highest rate in the nation.

The most recent report on beds per 1,000 elderly (Attachment A) shows North Dakota has fallen to eighth place in the ranking and the good news is that its at 68.9 beds per 1,000 elderly (not 89 per 1,000 elderly)

North Dakota Long Term Care ASSOCIATION
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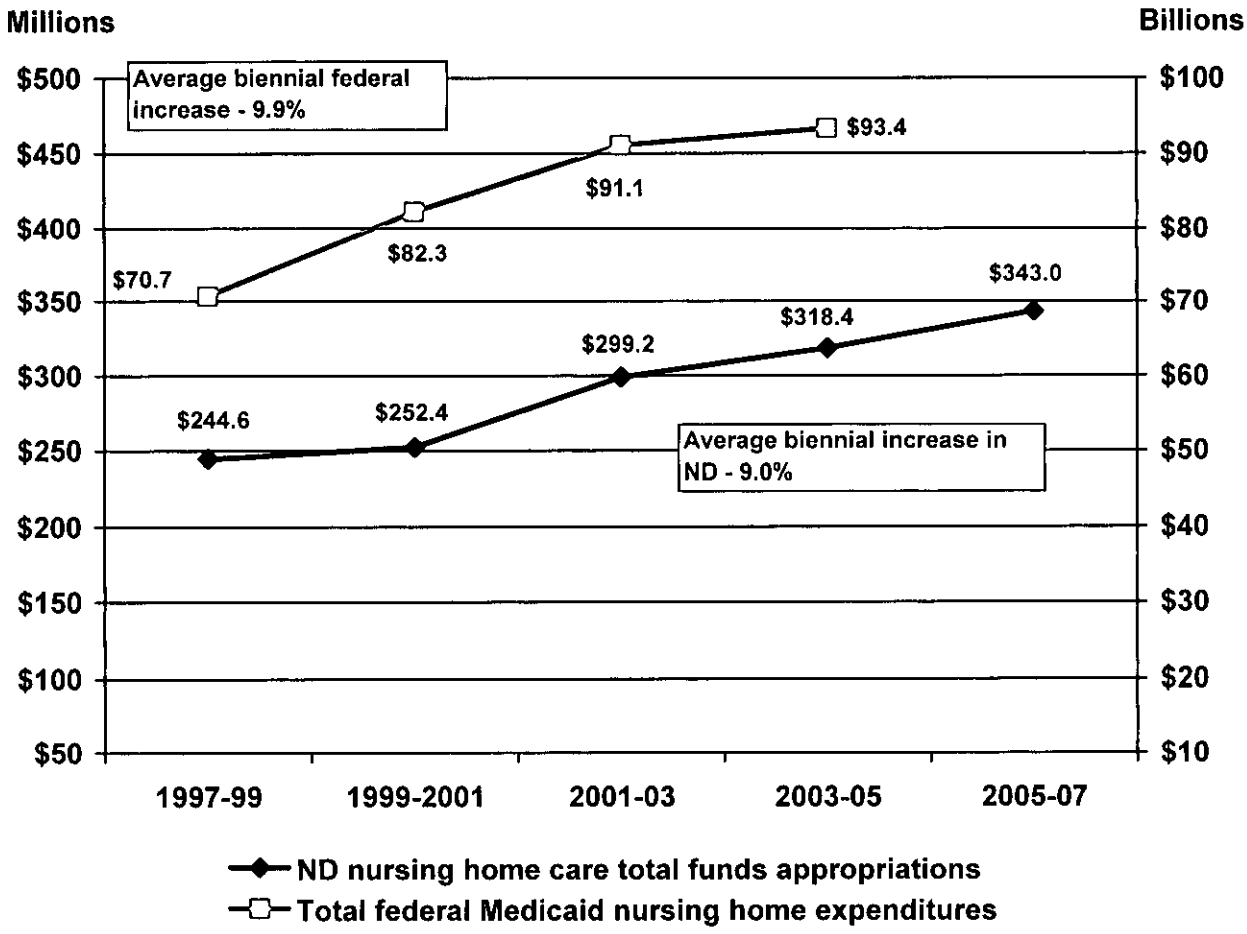
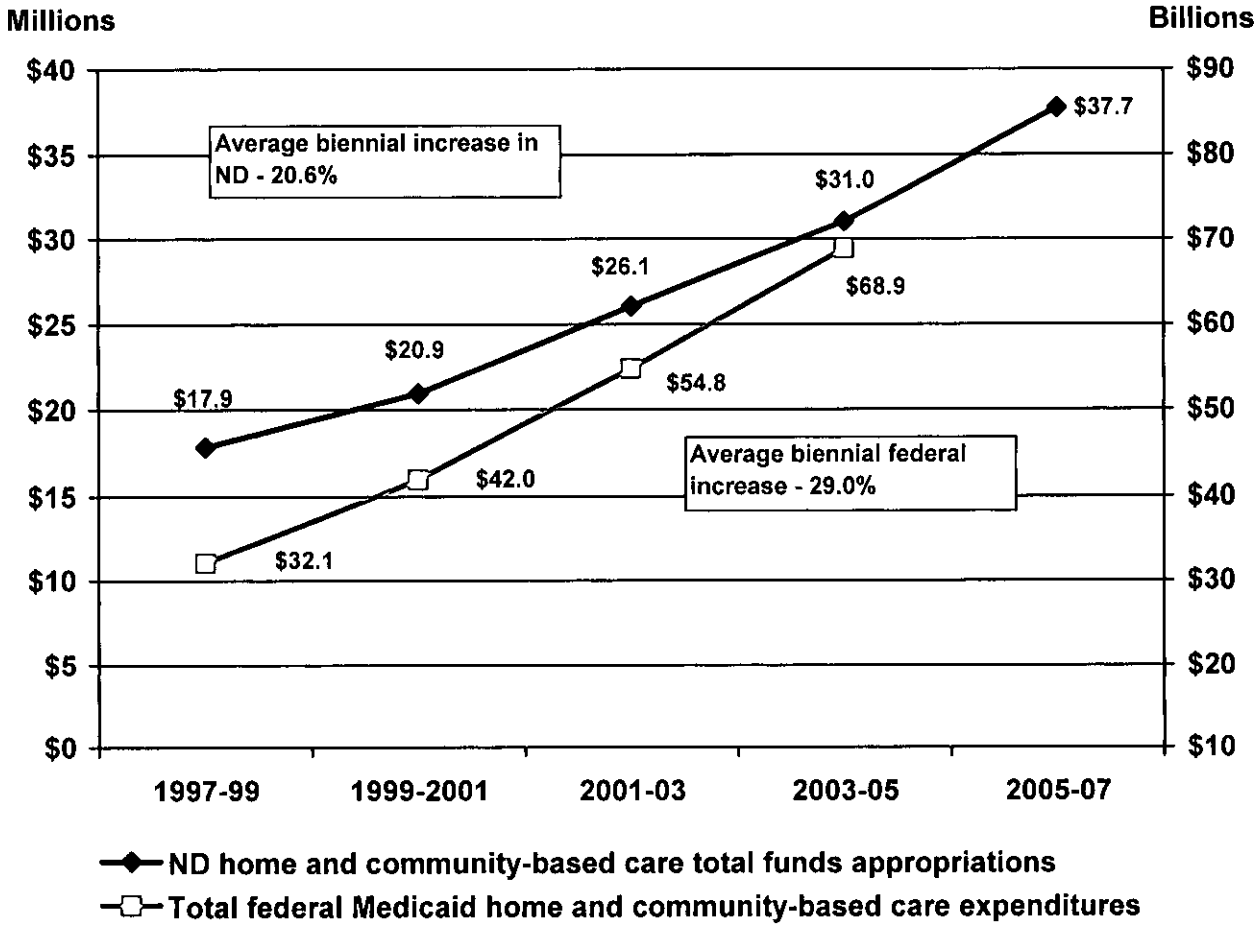
BED BUYOUT INCENTIVE PAYMENTS
Offers Approved As Of 6-30-2003

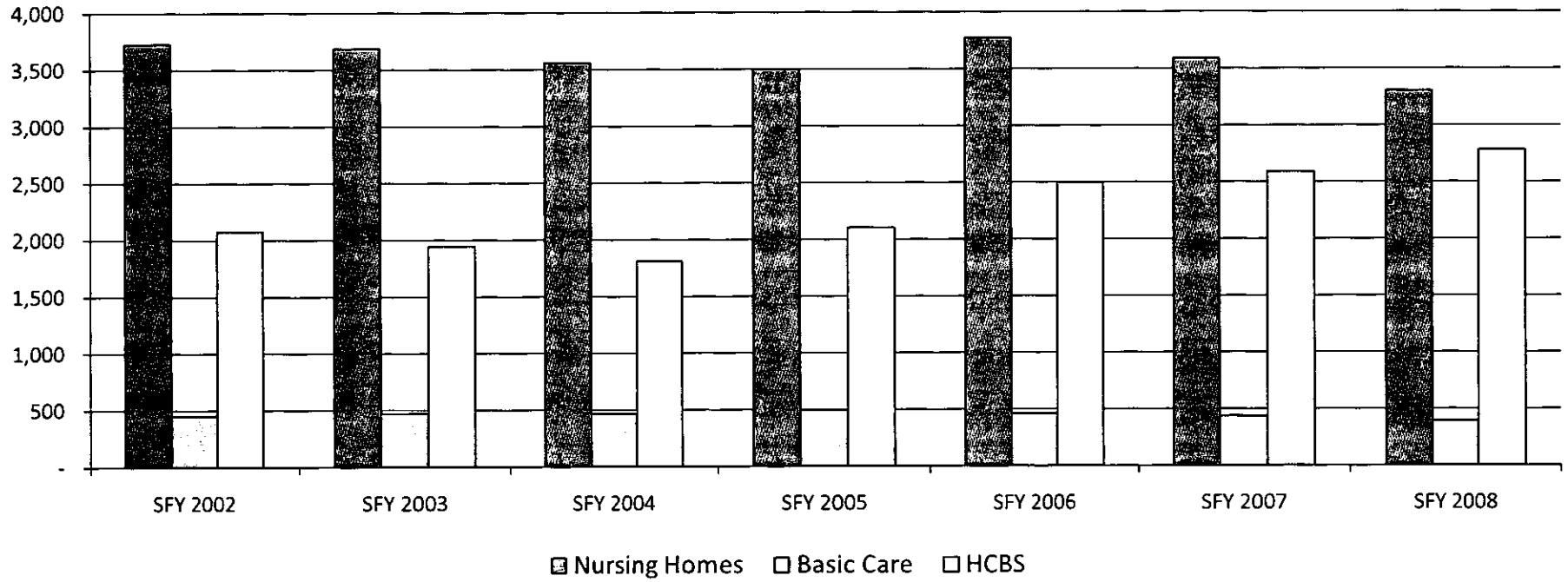
Round		Location	Facility	Beds	Per Bed Offer	Total Offer	Payments Authorized	Beds Delicensed
1	1	New Rockford	Lutheran Home of The Good Shepherd	2	$8,000.00	$16,000	$16,000	2
1	2	Larimore	Larimoure Good Samaritan Center	8	$12,000.00	$96,000	$96,000	8
1	3	Bottineau	St Andrew's Health Center	32	$15,000.00	$480,000	$480,000	32
1	4	Devils Lake	Devils Lake Good Samaritan Center	4	$8,000.00	$32,000	$32,000	4
1	5	Westhope	Westhope Home	11	$11,500.00	$126,500	$126,500	11
1	6	Oakes	Oakes Good Samaritan Center	8	$12,000.00	$96,000	$96,000	8
1	7	Osnabrock	Osnabrock Good Samaritan Center	4	$8,000.00	$32,000	$32,000	4
1	8	Northwood	Northwood Deconess Health Center	8	$10,999.75	$87,998	$87,998	8
1	9	Dickinson	St. Benedict's Health Center	8	$11,400.00	$91,200	$91,200	8
1	10	Harvey	St. Aloisius Medical Center	10	$12,000.00	$120,000	$120,000	10
1	11	Ellendale	Prince of Peace Care Center	5	$8,000.00	$40,000	$40,000	5
1	12	Lamoure	St Rose Care Center	10	$11,400.00	$114,000	$114,000	10
1	13	Strasburg	Strasburg Nursing Home	8	$12,000.00	$96,000	$96,000	8
1	14	Hatton	Tri-County Retirement & Nursing Home	2	$7,500.00	$15,000	$15,000	2
1	15	Crosby	Crosby Good Samaritan Center	9	$12,000.00	$108,000	$108,000	9
1	16	McVille	Nelson County Health System Care Center	6	$8,000.00	$48,000	$48,000	6
1	17	Rugby	Heart of America Nursing Facility	23	$12,000.00	$276,000	$276,000	23
1	18	Williston	Bethel Lutheran Home	3	$8,000.00	$24,000	$24,000	3
1	19	Dunseith	Dunseith Community Nursing Home	4	$8,000.00	$32,000	$32,000	4
1	20	Wahpeton	St. Catherine's Living Center	20	$11,400.00	$228,000	$228,000	20
1	21	Garrison	Benedictine Living Center	8	$11,400.00	$91,200	$91,200	8
1	22	Underwood	Prairieview Health Center Inc.	8	$11,997.00	$95,976	$95,976	8
1	23	Arthur	Arthur Good Samaritan Center	17	$12,000.00	$204,000	$204,000	17
1	24	Wishek	Wishek Home For The Aged	8	$12,000.00	$96,000	$96,000	8
1	25	New Town	Good Samaritan Center	30	$15,000.00	$450,000	$450,000	30
4	26	Killdeer	Hill Top Home of Comfort	9	$12,000.00	$108,000	$108,000	9
5	27	Parshall	Rock View Good Samaritan Center	5	$8,000.00	$40,000	$40,000	5
7	28	Lisbon	Lisbon Area Health Services Nursing Facility	8	$12,000.00	$96,000	$96,000	8
8	29	Williston	Bethel Lutheran Home	8	$12,000.00	$96,000	$96,000	8
			Total	286		$3,435,874	$3,435,874	286

		Total Offers	$3,435,874 286
Uncommitted Funds	**$564,126**	Total Outstanding	$0 0


Millions
Billions
$500
$450
$400
$350
$300
$250
$200
$150
$100
$50
$100
$90
$80
$70
$60
$50
$40
$30
$20
$10
Average biennial federal increase - 9.9%
$70.7
$82.3
$91.1
$93.4
$244.6
$252.4
$299.2
$318.4
$343.0
Average biennial increase in ND - 9.0%
1997-99
1999-2001
2001-03
2003-05
2005-07
ND nursing home care total funds appropriations
Total federal Medicaid nursing home expenditures


Millions
Billions
$40
$35
$30
$25
$20
$15
$10
$5
$0
$90
$80
$70
$60
$50
$40
$30
$20
$10
Average biennial increase in ND - 20.6%
$17.9
$20.9
$26.1
$31.0
$37.7
Average biennial federal increase - 29.0%
$32.1
$42.0
$54.8
$68.9
1997-99
1999-2001
2001-03
2003-05
2005-07
ND home and community-based care total funds appropriations
Total federal Medicaid home and community-based care expenditures

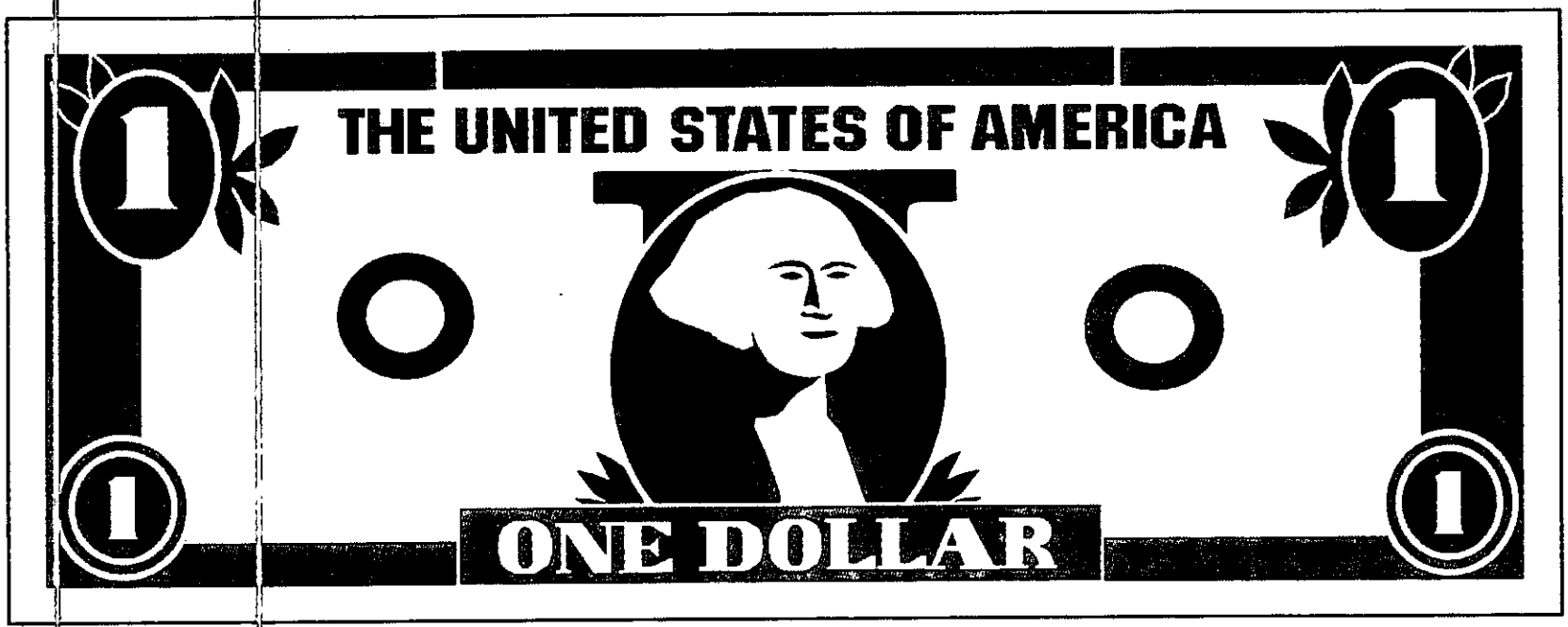
ATTACHMENT E: Trends in Long Term Care



	Nursing Homes	Basic Care	HCBS
SFY 2002	3,730	456	2,078
SFY 2003	3,688	473	1,947
SFY 2004	3,561	469	1,813
SFY 2005	3,501	497	2,104
SFY 2006	3,777	466	2,499
SFY 2007	3,591	439	2,591
SFY 2008	3,305	397	2,785

Source: Medical Services, ND Department of Human Services, September 2008

Department of Human Services
2009 - 2011 Budget to House
Where Does the Money Go?
Long Term Care Continuum (Excluding DD Grants)
Total Funds $501,986,472



.03
Basic Care

.13
Home & Community Based Services

.84
Nursing Homes

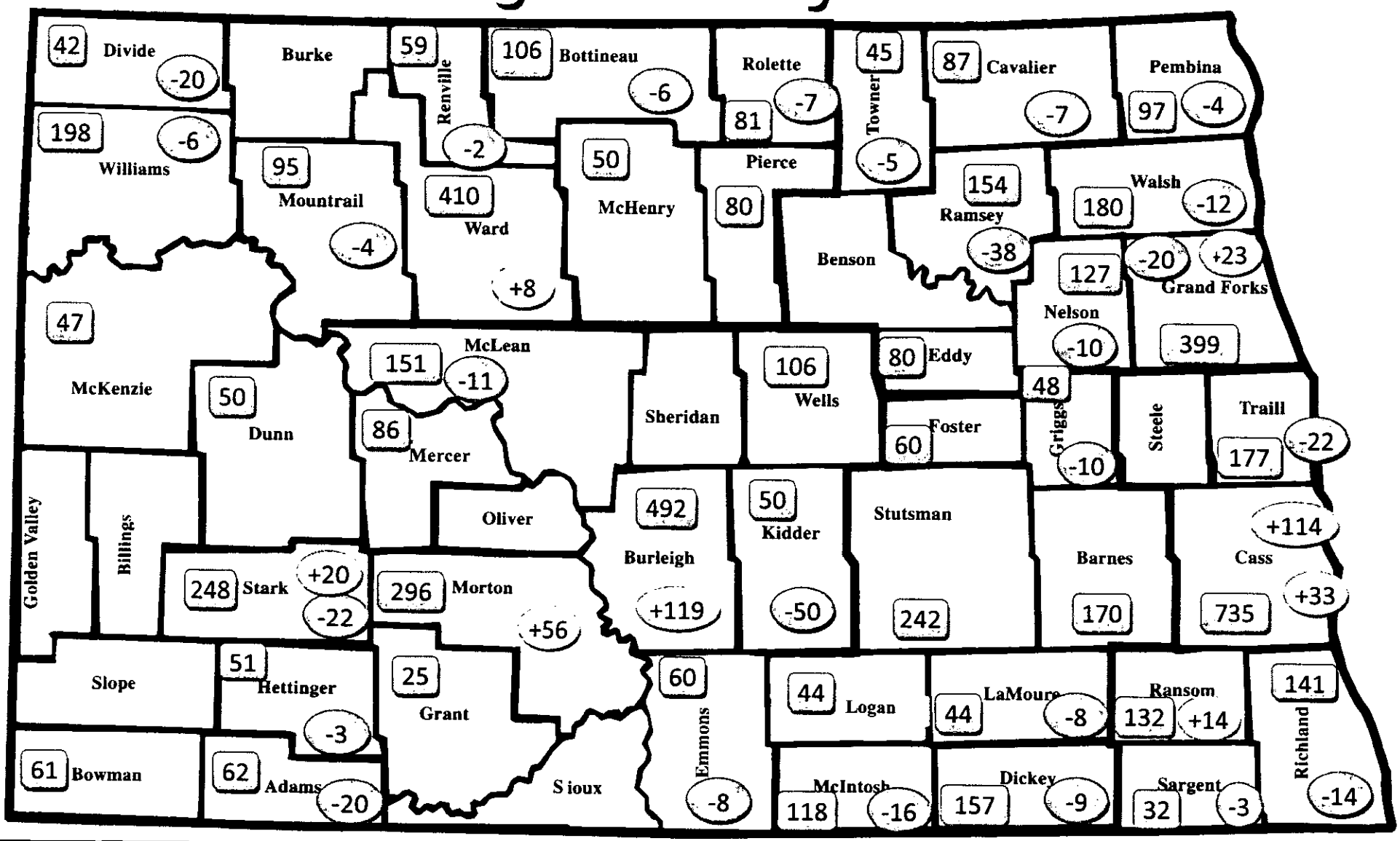
ATTACHMENT F

ATTACHMENT G

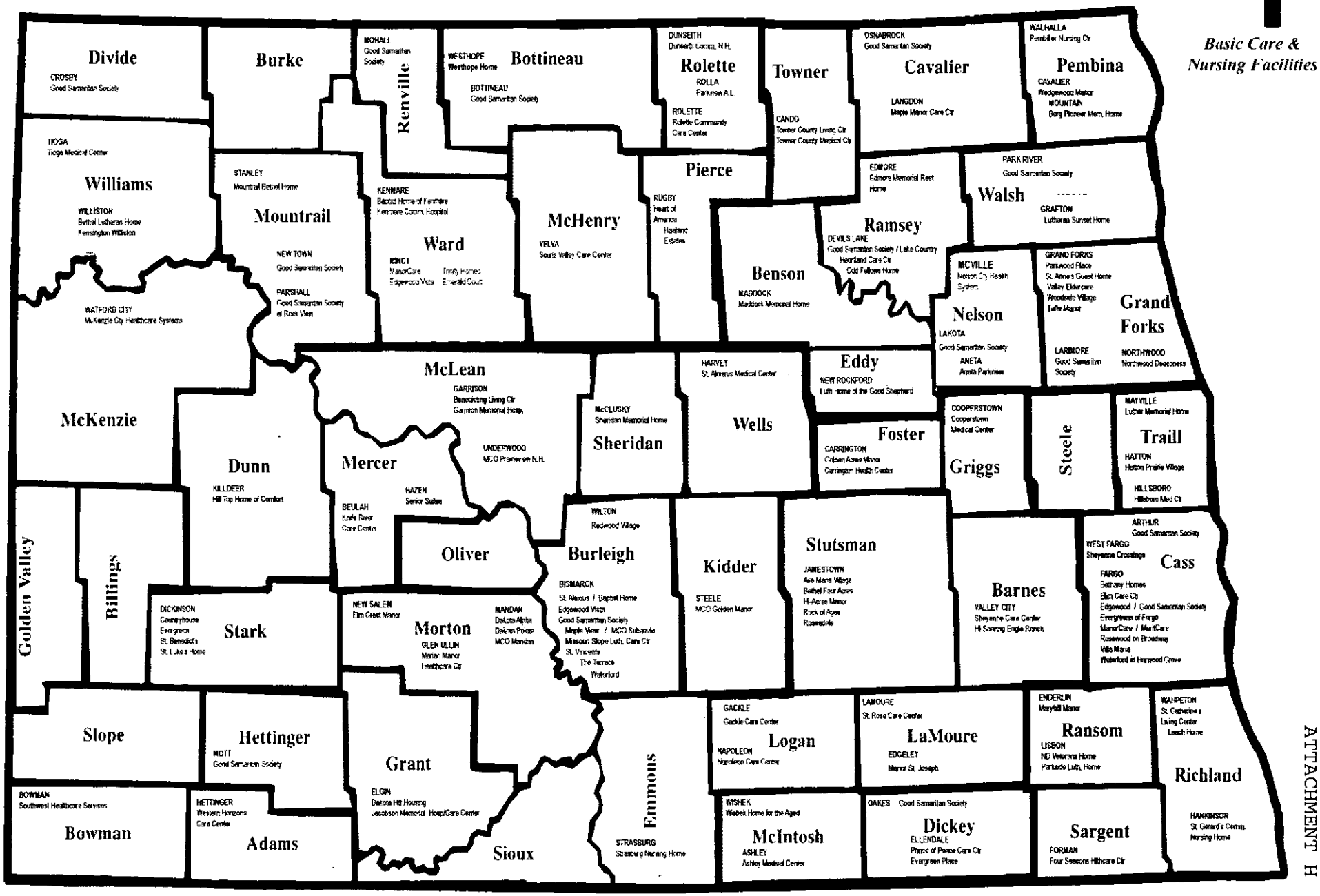
Facility Name	City	Corporate Office	County	Licensed capacity							Occupancy percentage				
				1/1/2009	6/30/2008	6/30/2007	6/30/2006	6/30/2005	6/30/2004	Pct Chg	6/30/2008	6/30/2007	6/30/2006	6/30/2005	6/30/2004
Good Samaritan Society – Arthur	Arthur	Evangelical Lutheran Good Samaritan Society	Cass	47	47	47	47	47	47	0.0%	94.5%	93.6%	94.2%	90.1%	91.4%
Medcenter One St. Vincent's	Bismarck	Medcenter One Living Centers	Burleigh	101	101	101	101	101	101	0.0%	99.9%	99.8%	99.7%	99.8%	99.9%
Medcenter One Subacute Unit	Bismarck	Medcenter One Living Centers		22											
Good Samaritan Society – Bottineau	Bottineau	Evangelical Lutheran Good Samaritan Society	Bottineau	81	81	81	81	81	81	0.0%	91.8%	97.2%	97.8%	95.3%	94.5%
Good Samaritan Society – Crosby	Crosby	Evangelical Lutheran Good Samaritan Society	Divide	42	42	55	55	62	62	-32.3%	98.7%	82.0%	91.3%	89.0%	91.5%
Good Samaritan Society – Devils Lake	Devils Lake	Evangelical Lutheran Good Samaritan Society	Ramsey	66	66	66	66	79	79	-16.5%	92.6%	85.3%	89.6%	86.3%	90.9%
St. Benedict's Health Center	Dickinson	Benedictine Living Communities, Inc.	Stark	164	164	164	164	164	172	-4.7%	97.5%	96.9%	96.1%	95.0%	92.7%
Prince of Peace Care Center	Ellendale	Benedictine Living Communities, Inc.	Dickey	55	55	55	60	64	64	-14.1%	88.6%	89.9%	89.3%	86.2%	89.4%
Maryhill Manor	Enderlin	Sisters of Mary of the Presentation Health System	Ransom	54	54	54	54	54	54	0.0%	96.5%	98.9%	97.9%	93.9%	91.4%
Elim – A Caring Community	Fargo	Elim Care, Inc.	Cass	136	136	136	136	136	136	0.0%	96.4%	96.7%	96.4%	95.9%	96.2%
Manor Care of Fargo ND, LLC	Fargo	HCR-ManorCare	Cass	109	109	109	109	109	109	0.0%	94.7%	90.4%	95.4%	94.2%	89.4%
Rosewood On Broadway	Fargo	Sisters of Mary of the Presentation Health System	Cass	111	111	111	111	109	109	1.8%	98.9%	98.9%	99.0%	93.2%	91.4%
Villa Maria	Fargo	Sisters of Mary of the Presentation Health System	Cass	140	138	138	138	138	138	0.0%	90.3%	96.8%	96.7%	95.1%	95.1%
Benedictine Living Ctr of Garrison	Garrison	Benedictine Living Communities, Inc.	McLean	63	63	63	63	63	63	0.0%	93.2%	94.3%	95.7%	92.5%	95.7%
Ave Maria Village	Jamestown	Sisters of Mary of the Presentation Health System	Stutsman	100	100	100	100	100	100	0.0%	97.7%	93.4%	94.9%	96.2%	98.5%
Good Samaritan Society – Lakota	Lakota	Evangelical Lutheran Good Samaritan Society	Nelson	49	49	54	54	54	54	-9.3%	93.0%	92.6%	90.4%	91.4%	89.6%
St. Rose Care Center	LaMoure	Benedictine Living Communities, Inc.	LaMoure	44	44	44	46	50	50	-12.0%	84.0%	84.7%	87.2%	72.1%	89.1%
Good Samaritan Society – Larimore	Larimore	Evangelical Lutheran Good Samaritan Society	Grand Fork	45	45	45	45	45	45	0.0%	98.4%	92.0%	91.1%	96.4%	96.0%
Medcenter One Mandan Care Center	Mandan	Medcenter One Living Centers	Morton	128	120	120	120	120	120	0.0%	99.2%	99.3%	99.2%	98.6%	99.4%
Manor Care of Minot ND, LLC	Minot	HCR-ManorCare	Ward	106	106	106	106	106	106	0.0%	95.0%	95.8%	97.2%	97.5%	98.8%
Good Samaritan Society – Mohall	Mohall	Evangelical Lutheran Good Samaritan Society	Renville	59	59	61	61	61	61	-3.3%	93.8%	95.6%	97.1%	96.5%	95.1%
Good Samaritan Society – Mott	Mott	Evangelical Lutheran Good Samaritan Society	Hettinger	51	51	54	54	54	54	-5.6%	90.1%	90.3%	94.7%	94.9%	94.5%
Good Samaritan Society – Oakes	Oakes	Evangelical Lutheran Good Samaritan Society	Dickey	102	102	102	102	102	102	0.0%	95.4%	94.1%	95.3%	92.0%	92.2%
Good Samaritan Society – Osnabrock	Osnabrock	Evangelical Lutheran Good Samaritan Society	Cavalier	24	24	24	31	31	31	-22.6%	85.2%	74.6%	60.8%	82.9%	99.4%
Good Samaritan Society – Park River	Park River	Evangelical Lutheran Good Samaritan Society	Walsh	76	76	80	74	74	80	-5.0%	96.8%	88.5%	89.4%	89.0%	96.1%
GSS – Rock View at Parshall	Parshall	Evangelical Lutheran Good Samaritan Society	Mountrail	38	38	42	42	42	42	-9.5%	89.2%	85.9%	81.6%	80.5%	91.4%
Medcenter One Golden Manor	Steele	Medcenter One Living Centers	Kidder	50	50	50	50	50	50	0.0%	95.1%	98.9%	99.1%	96.3%	98.8%
Medcenter One Prairieview	Underwood	Medcenter One Living Centers	McLean	60	60	60	60	60	60	0.0%	99.8%	97.9%	99.0%	95.1%	94.6%
Sheyenne Care Center	Valley City	Sisters of Mary of the Presentation Health System	Barnes	170	154	154	154	154	154	0.0%	98.8%	106.4%	95.0%	96.9%	99.4%
Souris Valley Care Center	Velva	Evangelical Lutheran Good Samaritan Society	McHenry	50	50	50	50	50	50	0.0%	89.0%	92.2%	90.2%	97.0%	95.8%
St. Catherine's Living Center	Wahpeton	Benedictine Living Communities, Inc.	Richland	112	104	104	110	132	132	-21.2%	94.2%	88.0%	87.4%	64.7%	78.3%
					2399	6210	6277	2,492	2506	-4.3%	242.5%	94.8%	94.3%	92.0%	240.9%

ATTACHME H

Nursing Facility Beds



Purple Box – Number of licensed nursing facilities beds as of January 1, 2009.
Red Box – Number of licensed nursing facility beds decreased or expected to decrease from county (sold or transferred).
Green Box – Number of licensed nursing facility beds expected to increase in the county (purchased or transferred).



ATTACHMENT H

#6

Testimony on HB 1327
Senate Human Services Committee
March 4, 2009

Good Afternoon Chairman Lee and members of the Senate Human Services Committee. My name is Karissa Olson and I am the Administrator of Heartland Care Center in Devils Lake. I'm testifying in opposition of HB 1327, which proposes to create an exception to the nursing facility moratorium. I support this moratorium and wish to share with you my experience.

Since 2007, Heartland Care Center has sold 20 beds in order to "right size" our care center and allow the beds to be moved into communities of need. In 2007 when we sold our first 10 beds, the price was $15,000 per bed. In 2008, the 10 beds that sold were at $18,100 per bed. This has allowed me to sell beds to stay above 90% occupancy as well as generate $331,000 of revenue for our facility to assist with expenses. There is incentive built into our reimbursement system for facilities to maintain 90% occupancy and in order to do that, facilities are selling beds to facilities with need. In the end, the communities that have a need for beds have been able to get them.

On February 9, 2009, Heartland Care Center accepted bids for additional beds. As of today, beds are selling for $11,501.00 per bed and there was 1 bidder in the market! As you can tell, the demand for purchasing beds is no longer what it used to be, thus indicating that when beds are for sale, they will be easier to acquire at a more reasonable price. It is also important to note that the 1 bid I did receive was not from the community of Steele.

If this bill should pass and allow "free" beds, how will our rural beds retain their value? The beds that I sold would be worthless and cause the state to have more beds than has been deemed necessary to meet the needs of our citizens.

Thank you for the opportunity to testify regarding HB 1327. I would be happy to answer any questions.

Karissa Olson, Administrator
Heartland Care Center
620 14th Avenue NE, Devils Lake, ND 58301
(701) 662-4905 * www.heartlandcare.org * hccadmin@gondtc.com

#7

Testimony on HB 1327
Senate Human Services Committee
March 4, 2009

Good afternoon Chairman Lee and members of the Senate Human Services Committee. My name is Jon Riewer, President of Eventide Senior Living Communities of West Fargo, ND and Moorhead, MN. Eventide serves more than 1,000 seniors annually with 391 senor housing units and 259 skilled nursing beds (64 presently under construction in West Fargo). With the new nursing home being developed in West Fargo, Eventide will operate 195 senior living units in North Dakota with services including basic care, assisted living, independent living, traditional skilled nursing care, and transitional/rehab care.

As previously mentioned, Eventide is currently constructing a new 64 bed care center on our Sheyenne Crossings campus in West Fargo. The development of this new care center is in response to a demonstrated community need in a growing community, and as part of a full continuum campus of senior services. To accomplish the development of this new care center, Eventide began purchasing beds from providers throughout North Dakota who were looking to "re-position" their campus for better sustainability into the future. The need prompting these changes for providers was a result of demographic, operating, and workforce issues being experienced in their organization and in their communities. To date, the selling agencies have received, on average, just over $18,100 per bed from Eventide. In total, Eventide will have paid over $1.1 million to providers across ND to secure licensed beds for our West Fargo campus.

The selling organization's ability to receive fair market value for these beds allows some financial support for their transition to an appropriate operating model given each of their individual circumstances. HB 1327 seriously jeopardizes this process by allowing beds to be granted for individual facilities at no cost and undermines a free-market approach and orderly transfer of beds across the State. In short, if HB 1327 were to pass, future providers looking to right-size their organizations will receive limited or no value for

their beds in the future. Additionally, if this bill is not defeated, the State should expect requests for additional beds to be an on-going issue for future sessions that will continue to add additional costs to future budgets with perpetual fiscal tails. We have certainly witnessed this in our operations in Minnesota where the surplus of licensed beds continues to "water down" the available public dollars to all providers. With this in mind, our new mantra in Minnesota with regard to care centers is to find a way to "have fewer and better" care centers in the future. Given the already high bed count in North Dakota, which is the 8th highest in the nation at 68.9 per 1,000 Elderly (Referenced from Shelly Peterson's Testimony Attachment), it would seem that legislative policy going forward should stay consistent with controlling the number of licensed nursing home beds in North Dakota.

In closing, the free market approach to movement of existing licensed beds in North Dakota has allowed for appropriate relocation of beds by assuring a financial commitment from the buyers and financial opportunities for change back to the sellers. HB 1327 would not only undermine this very effective process for relocation of beds but would no doubt destroy it altogether while adding additional future tax burden to North Dakota in the process.

Thank you for the opportunity to testify regarding HB 1327. I would be happy to answer any questions.

Jon Riewer, President/CEO
Eventide Senior Living Communities
1405 7th Street South
Moorhead, MN

and

Eventide Sheyenne Crossings
225 13 Avenue West
West Fargo, ND 58078

#8

Testimony on HB 1327
Senate Human Services Committee
March 4, 2009

Good afternoon Chairman Lee and members of the Senate Human Services Committee. My name is Shawn Stuhaug, President/CEO of Bethany Homes in Fargo. Bethany serves 192 skilled care residents, 149 assisted living residents and 35 senior housing residents. I am here to testify in opposition to HB 1327.

Bethany is currently building a second campus, located in South Fargo, that will serve 78 skilled care residents and 40 assisted living residents. Bethany's board of trustees and management have been planning for this expansion since 2005. Part of the planning process included a purchasing plan for nursing facility bed licenses. Before construction could begin, bed licenses had to be secured from existing providers because of the bed moratorium. As you can see on Attachment A, Bethany has purchased skilled bed licenses from facilities throughout North Dakota. The beds were purchased in a competitive bidding process that maximized the selling facility's price. By the time our new campus opens, Bethany will have spent $817,600 on nursing facility bed licenses.

HB 1327 provides a short-cut that will damage a process that already works. Bethany has committed years of planning and thousands of dollars to expand in the parameters that are set up within the current moratorium law. HB 1327 not only provides free beds to nursing facilities; it opens the door for every nursing facility to ask our legislators for access to free beds. Since

2001, every nursing facility in Fargo has purchased beds successfully within the parameters of moratorium law. The process we have now works.

Even though Bethany has committed $817,600 to bed license purchases, we are a supporter of the moratorium and therefore oppose HB 1327. We would rather pay a price and keep our current process, than see North Dakota's fiscal resources spread across too many beds thus becoming unsustainable. North Dakota is far ahead of most states because we plan for the sustainability of the care our facilities deliver. Our current moratorium helps to support this sustainability.

Thank you for the opportunity to testify regarding HB 1327. I would be happy to answer any questions.

Shawn Stuhaug, President/CEO
Bethany Homes
201 S. University Dr.
Fargo, ND 58102
(701)-239-3000 E-mail: sstuhaug@bethanyhomes.org

Attachment A

Bed License Acquisitions by Bethany Homes

	Year Acquired	Year License Expires	# Beds	Cost	per bed	Total 2006:
Lutheran Sunset Home, Grafton	2006	6/15/2010	8	$ 66,000.00	$ 8,250.00	$ 66,000.00
Wishek Home for the Aged	2007	6/1/2011	6	$ 72,000.00	$ 12,000.00	
Heartland Care Center, Devils Lake	2007	8/2/2011	10	$ 150,000.00	$ 15,000.00	Total 2007: $ 222,000.00
Heartland Care Center, Devils Lake	2008	4/1/2012	5	$ 90,500.00	$ 18,100.00	
Western Horizons, Hettinger	2008	4/1/2012	11	$ 199,100.00	$ 18,100.00	Total 2008: $ 289,600.00
MeritCare Hospital	Pending 2009		16	$240,000.00	$15,000.00	Total 2009 $240,000.00
			56	**$ 817,600.00**		
	Total Bed License Cost			**$ 817,600.00**		

Testimony on HB 1327
Senate Human Services Committee
March 4, 2009

#9

Good Afternoon Chairperson Lee and members of the Senate Human Services Committee. My name is Greg Hanson, President /CEO of Valley Memorial Homes (VMH) and Administrator of Valley Eldercare Center (VEC) in Grand Forks, ND. I am here to testify in opposition to HB 1327, which proposes to create an exception to the nursing facility moratorium.

HB 1327 proposes to allow an exception for Steele, ND to the nursing facility moratorium when certain criteria are met. If these criteria are met by Steele, ND their nursing facilities could get 75% of those bed licenses back into operations that are being ~~were~~ moved to Mandan, ND. HB 1327 can and will be replicated in the future in other North Dakota communities especially in the twenty five nursing homes that are part chain or multi community locations. HB 1327 if passed could start a process of going around bed moratorium law that will greatly increase the number of nursing facility bed licenses in the State of North Dakota.

The moratorium has reduced the number of bed licenses in over served areas and the ability to purchase bed licenses has provided a way to transfer them to under served areas. If HB 1327 is passed it will provide a way to get around the moratorium which will reduce the value of the bed licenses to a potentially worthless level and will make it next to impossible under current laws to control the number of nursing facility bed licenses in North Dakota.

The Greater Grand Forks area has less than 40 nursing facility bed licenses per 1000 people over age 65 which is well below the North Dakota average of 68.9 and the National average of 49.3. In recent years Valley Memorial Homes has been purchasing bed licenses and has increased its skilled nursing facility (SNF) bed licenses by 16 and 23 basic care bed licenses. In addition to those already in service VMH has purchased an additional 23 SNF bed licenses that will be part of a new SNF Transitional Care Unit (TCU) along with 22 additional basic care bed licenses. The total cost of these purchased bed licenses for VMH is over $600,000.00. With the addition of TCU bed licenses the Greater Grand Forks area will be up to 40 SNF bed licenses per 1000 people over age 65 in the area.

VMH supports the nursing home bed moratorium law SB 2044 and would strongly encourage you to vote against HB 1327.

Thank you for the opportunity to testify regarding HB 1327. I would be happy to answer any questions that you may have.

Greg Hanson, President/CEO
Valley Memorial Homes
Administrator
Valley Eldercare Center
2900 14th Ave South
Grand Forks, ND 58201
701-787-7905; E-mail ghanson@valleymemorial.org

#10

90733.0201
Title.

Prepared by the Legislative Council staff for
Senator Heckaman
March 16, 2009

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1327

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to provide for the remodeling of a nursing facility to meet the requirements of assisted living and basic care and a pilot project on assisted living rent subsidies; and to provide an appropriation.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. REMODELING OF A NURSING FACILITY TO MEET THE REQUIREMENTS OF ASSISTED LIVING AND BASIC CARE - PILOT PROJECT ON ASSISTED LIVING RENT SUBSIDIES. Before March 1, 2010, the department of human services shall grant $350,000 to a facility under section 23-16-01.1 which incurs a transfer of the location of the facility's beds and a change of operator before June 1, 2009, for costs associated with the remodeling of the facility. In order to receive a grant, a facility shall agree to:

1. Meet the requirements of both an assisted living facility and a basic care facility;

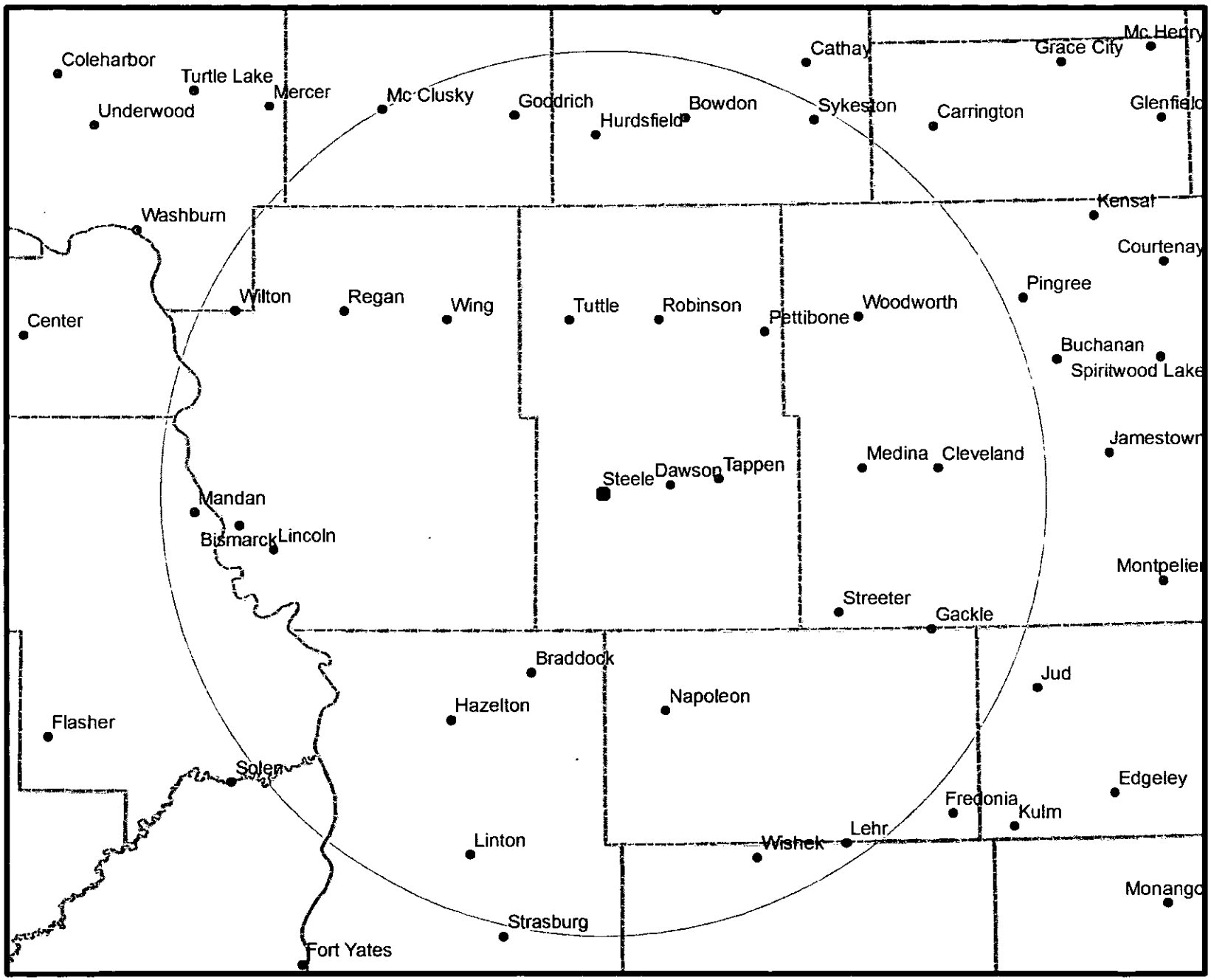
2. Use at least $50,000 of the grant to conduct a rent subsidy pilot project for at least four assisted living residents; and

3. Report to the department of human services on the success of the rent subsidy pilot project compared to the basic care assistance program.

SECTION 2. APPROPRIATION. There is appropriated out of any moneys in the health care trust fund, not otherwise appropriated, the sum of $350,000, or so much of the sum as may be necessary, to the department of human services for the purpose of providing a grant as provided for in section 1 of this Act, for the biennium beginning July 1, 2009, and ending June 30, 2011. The department of human services may not spend this funding prior to January 1, 2010."

Renumber accordingly

STEELE WITH 50 MILE BUFFER



Legend

- Steele
- North Dakota Cities
- County Border
- 50 Mile Radius

N W E S

0 5 10 20 Miles

Projection: State Plane
LBN
3/12/2009

3/16/09

11 #

New/Additional Basic Care Beds

[redacted]eyenne Care Center, Valley City	Request for 15 beds	Approved 6/10/02	Never licensed
		Need to license by August 1, 2011	
Edgewood Vista, Grand Forks	Request for 20 beds	Approved 10/16/03	Never licensed
		Need to license by August 1, 2011	
Edgewood Vista, Minot	Request for 10 beds	Approved 10/16/03	Licensed
		For 6 beds	
Hilltop Home of Comfort, Killdeer	Request for 10 beds	Denied 8/4/05	-----
Eventide, West Fargo	Request for 22 beds	Approved 8/4/05	Licensed
Edgewood Vista, Fargo	Request for 33 beds	Approved 8/4/05	Licensed
The View, Grand Forks	Request for 28 beds	Approved 3/14/06	Licensed
		For 15 beds	
Eventide, West Fargo	Request for 2 beds	Approved 3/24/07	Licensed
The View, Minot	Request for 28 beds	Denied 4/19/06	------
[redacted]e View, Bismarck	Request for 28 beds	Approved 4/19/06	Licensed
[redacted]thany, Fargo	Request for 36 beds	Approved 4/19/06	
		Need to license by August 1, 2011	
Edgewood Vista, Bismarck	Request for 49 beds	Denied 1/12/07	-----
Edgewood Vista, Bismarck	Request for 48 beds	Approved 12/13/07	
		For 25 beds	
		Need to license by August 1, 2011	
Dickinson Country House LLC	Request for 10 beds	Approved 1/12/07	
Dickinson		Need to license by August 1, 2011	
Missouri Valley Basic Care Found.	Request for 60 beds	Denied 3/11/08	-----
Bismarck			
Kensington, Williston	Request for 12 beds	Denied 12/13/07	-----
The View, Grand Forks	Request for 6 beds	Denied 3/11/08	-----
[redacted]Tri-County, Hatton	Request for 10 beds	Denied 3/11/08	-----

Basic Care Occupancy Survey Steele Radius

City (Region)	Facility	Total Beds	Mar-08	Occ. Rate %	Apr-08	Occ. Rate %	May-08	Occ. Rate %	Jun-08	Occ. Rate %	Jul-08	Occ. Rate %	Aug-08	Occ. Rate %	Sep-08	Occ. Rate %	Oct-08	Occ. Rate %	Nov-08	Occ. Rate %	Dec-08	Occ. Rate %	Jan-09	Occ. Rate %	Feb-09	Occ. Rate %	Avg. filled beds	Avg. Occ. Rate %
Steele - 50 mile radius		**249**																									**211**	**85%**
Bismarck (7)	Baptist Home Basic Care Unit	**10**	10	*100%*	10	*100%*	9	*90%*	10	*100%*	10	*100%*	10	*100%*	10	*100%*	9	*90%*	9	*90%*	9	*90%*	9	*90%*	10	*100%*	**9**	**96%**
Bismarck (7)	Edgewood Vista Senior Living (Location 1)	**48**	45	*94%*	43	*90%*	40	*83%*	44	*92%*	46	*96%*	45	*94%*	46	*96%*	45	*94%*	45	*94%*	44	*92%*	46	*96%*	47	*98%*	**41**	**93%**
Bismarck (7)	Maple Viewlt East of Bismarck	**20**	10	*50%*	13	*65%*	15	*75%*	10	*50%*	13	*65%*	15	*75%*	10	*50%*	13	*65%*	15	*75%*	10	*50%*	13	*65%*	20	*100%*	**12**	**65%**
Bismarck (7)	Maple View II North of Bismarck	**28**	27	*96%*	25	*89%*	28	*100%*	27	*96%*	25	*89%*	28	*100%*	27	*96%*	25	*89%*	28	*100%*	27	*96%*	25	*89%*	26	*93%*	**24**	**95%**
Bismarck (7)	The Terrace	**40**	39	*98%*	40	*100%*	40	*100%*	40	*100%*	40	*100%*	40	*100%*	38	*95%*	39	*98%*	40	*100%*	40	*100%*	40	*100%*	40	*100%*	**36**	**99%**
Bismarck (7)	Waterford on West Century	**20**	20	*100%*	18	*90%*	18	*90%*	18	*90%*	19	*95%*	20	*100%*	19	*95%*	19	*95%*	20	*100%*	18	*90%*	20	*100%*	20	*100%*	**17**	**95%**
Mandan (7)	Dakota Pointe	**10**	10	*100%*	10	*100%*	10	*100%*	10	*100%*	10	*100%*	10	*100%*	10	*100%*	10	*100%*	10	*100%*	10	*100%*	9	*90%*	10	*100%*	**9**	**99%**
Gackle (6)	Gackle Care Center	**41**	37	*90%*	37	*90%*	38	*93%*	37	*90%*	38	*93%*	37	*90%*	36	*88%*	36	*88%*	36	*88%*	35	*85%*	37	*90%*	36	*88%*	**34**	**89%**
McClusky (7)	Sheridan Memorial Home	**16**	14	*88%*	13	*81%*	14	*88%*	14	*88%*	14	*88%*	16	*100%*	16	*100%*	16	*100%*	16	*100%*	15	*94%*	15	*94%*	15	*94%*	**14**	**93%**
Wilton (7)	Redwood Village	**16**	16	*100%*	16	*63%*	16	*100%*	15	*94%*	16	*100%*	15	*94%*	16	*100%*	16	*100%*	16	*100%*	16	*100%*	16	*100%*	16	*100%*	**15**	**99%**

Basic Care Occupancy Survey Steele Radius

City (Region)	Facility	Total Beds	Mar-08	Occ. Rate %	Apr-08	Occ. Rate %	May-08	Occ. Rate %	Jun-08	Occ. Rate %	Jul-08	Occ. Rate %	Aug-08	Occ. Rate %	Sep-08	Occ. Rate %	Oct-08	Occ. Rate %	Nov-08	Occ. Rate %	Dec-08	Occ. Rate %	Jan-09	Occ. Rate %	Feb-09	Occ. Rate %	Avg. filled beds	Avg. Occ. Rate %
Steele - 50 mile radius		**274**																									**211**	**77%**
Bismarck (7)	Baptist Home Basic Care Unit	**10**	10	100%	10	100%	9	90%	10	100%	10	100%	10	100%	10	100%	9	90%	9	90%	9	90%	9	90%	10	100%	**9**	**96%**
Bismarck (7)	Edgewood Vista Senior Living (Location 1)	**48**	45	94%	43	90%	40	83%	44	92%	46	96%	45	94%	46	96%	45	94%	45	94%	44	92%	46	96%	47	98%	**41**	**93%**
Bismarck (7)	Edgewood Vista Senior Living (Location 2)	**25**	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	**0**	**0%**
Bismarck (7)	Maple Viewll East of Bismarck	**20**	10	50%	13	65%	15	75%	10	50%	13	65%	15	75%	10	50%	13	65%	15	75%	10	50%	13	65%	20	100%	**12**	**65%**
Bismarck (7)	Maple View II North of Bismarck	**28**	27	96%	25	89%	28	100%	27	96%	25	89%	28	100%	27	96%	25	89%	28	100%	27	96%	25	89%	26	93%	**24**	**95%**
Bismarck (7)	The Terrace	**40**	39	98%	40	100%	40	100%	40	100%	40	100%	40	100%	38	95%	39	98%	40	100%	40	100%	40	100%	40	100%	**36**	**99%**
Bismarck (7)	Waterford on West Century	**20**	20	100%	18	90%	18	90%	18	90%	19	95%	20	100%	19	95%	19	95%	20	100%	18	90%	20	100%	20	100%	**17**	**95%**
Mandan (7)	Dakota Pointe	**10**	10	100%	10	100%	10	100%	10	100%	10	100%	10	100%	10	100%	10	100%	10	100%	10	100%	9	90%	10	100%	**9**	**99%**
Gackle (6)	Gackle Care Center	**41**	37	90%	37	90%	38	93%	37	90%	38	93%	37	90%	36	88%	36	88%	36	88%	35	85%	37	90%	36	88%	**34**	**89%**
McClusky (7)	Sheridan Memorial Home	**16**	14	88%	13	81%	14	88%	14	88%	14	88%	16	100%	16	100%	16	100%	16	100%	15	94%	15	94%	15	94%	**14**	**93%**
Wilton (7)	Redwood Village	**16**	16	100%	16	63%	16	100%	15	94%	16	100%	15	94%	16	100%	16	100%	16	100%	16	100%	16	100%	16	100%	**15**	**99%**

Basic Care Occupancy Survey Steele Radius

City (Region)	Facility	Total Beds	Mar-08	Occ. Rate %	Apr-08	Occ. Rate %	May-08	Occ. Rate %	Jun-08	Occ. Rate %	Jul-08	Occ. Rate %	Aug-08	Occ. Rate %	Sep-08	Occ. Rate %	Oct-08	Occ. Rate %	Nov-08	Occ. Rate %	Dec-08	Occ. Rate %	Jan-09	Occ. Rate %	Feb-09	Occ. Rate %	Avg. filled beds	Avg. Occ. Rate %
Steele - 50 mile radius		**258**																									**196**	**76%**
Bismarck (7)	Baptist Home Basic Care Unit	**10**	10	100%	10	100%	9	90%	10	100%	10	100%	10	100%	10	100%	9	90%	9	90%	9	90%	9	90%	10	100%	**9**	**96%**
Bismarck (7)	Edgewood Vista Senior Living (Location 1)	**48**	45	94%	43	90%	40	83%	44	92%	46	96%	45	94%	46	96%	45	94%	45	94%	44	92%	46	96%	47	98%	**41**	**93%**
Bismarck (7)	Edgewood Vista Senior Living (Location 2)	**25**	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	**0**	**0%**
Bismarck (7)	Maple Viewll East of Bismarck	**20**	10	50%	13	65%	15	75%	10	50%	13	65%	15	75%	10	50%	13	65%	15	75%	10	50%	13	65%	20	100%	**12**	**65%**
Bismarck (7)	Maple View il North of Bismarck	**28**	27	96%	25	89%	28	100%	27	96%	25	89%	28	100%	27	96%	25	89%	28	100%	27	96%	25	89%	26	93%	**24**	**95%**
Bismarck (7)	The Terrace	**40**	39	98%	40	100%	40	100%	40	100%	40	100%	40	100%	38	95%	39	98%	40	100%	40	100%	40	100%	40	100%	**36**	**99%**
Bismarck (7)	Waterford on West Century	**20**	20	100%	18	90%	18	90%	18	90%	19	95%	20	100%	19	95%	19	95%	20	100%	18	90%	20	100%	20	100%	**17**	**95%**
Mandan (7)	Dakota Pointe	**10**	10	100%	10	100%	10	100%	10	100%	10	100%	10	100%	10	100%	10	100%	10	100%	10	100%	9	90%	10	100%	**9**	**99%**
Gackle (6)	Gackle Care Center	**41**	37	90%	37	90%	38	93%	37	90%	38	93%	37	90%	36	88%	36	88%	36	88%	35	85%	37	90%	36	88%	**34**	**89%**
McClusky (7)	Sheridan Memorial Home	**16**	14	88%	13	81%	14	88%	14	88%	14	88%	16	100%	16	100%	16	100%	16	100%	15	94%	15	94%	15	94%	**14**	**93%**

North Dakota Department of Health

03/12/2009

Office of Community Assistance

State Profile - Based on NDSU 2005 Projections

Basic Care

North Dakota

Elder Population - 2005 *							
	55-59	60-64	65-69	70-74	75-79	80-84	85+
Total	34457	26272					15289
	Total 65+	97771	Total 65-74	44231	Total 75-84	38251	

Basic Care Bed Capacity (March 2009)		
Region	Number Basic Care Facilities (Including Authorized but not built)	Basic Care Beds
I	3 Basic Care Facilities	106
II	6 Basic Care Facilities	225
III	6 Basic Care Facilities	115
IV	7 Basic Care Facilities	219
V	11 Basic Care Facilities (incl. Veterans Home)	411
VI	9 Basic Care Facilities (incl. Hi Soaring Eagle Ranch)	240
VII	12 Basic Care Facilities (incl. Dakota Pointe)	302
VIII	5 Basic Care Facilities	105
North Dakota	52 Basic Care Facilities (Excuding Special Population Facilities)	1723

Bed/Elder Population Ratios**		
Year		Basic Care Beds
2009		17.62

State Target Ratios***	
*NDSU Census Projections - 2005	Basic Care Beds
**Per 1000 Age 65+	15
***Basic Care by State Health Council - 1994	

Additional Basic Care Bed Capacity Target	-256.44

Population - NDSU 2005 Census Projections						
Region	55-59	60-64	65-74	75-84	85+	65+
I	1530	1234	2159	1908	778	4845
II	4390	3442	6302	5279	2185	13766
III	2254	1923	3184	2730	1134	7048
IV	4398	3128	4978	4671	1793	11442
V	9021	6383	9677	8131	3267	21075
VI	3271	2915	5609	5441	2203	13253
VII	7434	5598	9198	7409	2848	19455
VIII	2159	1649	3124	2682	1081	6887
Totals	34457	26272	44231	38251	15289	97771

North Dakota Department of Health 03/12/2009

Office of Community Assistance

Regional Profile - Based on NDSU 2005 Projections

Basic Care

Region I

Elder Population - 2005 *							
	55-59	60-64	65-69	70-74	75-79	80-84	85+
Total	1530	1234					778
	Total 65+	4845	Total 65-74	2159	Total 75-84	1908	

Basic Care Capacity (March 2009)		
Community	Facility	Basic Care Beds
Crosby	Good Samaritan Center	16
Williston	Bethel Lutheran Home - BC	19
Williston	The Kensington	71
	Totals	106

Bed/Elder Population Ratios**	
Year	Basic Care Beds
2009	21.88

State Target Ratios***	
	Basic Care Beds
*NDSU Census Projections - 2005	
**Per 1000 Age 65+	15
***Basic Care by State Health Council - 1994	

Additional Basic Care Bed Capacity Target	-33.33

Population - NDSU 2005 Census Projections						
County	55-59	60-64	65-74	75-84	85+	65+
Divide	144	107	256	259	141	656
McKenzie	331	287	436	345	173	954
Williams	1055	840	1467	1304	464	3235
Totals	1530	1234	2159	1908	778	4845

North Dakota Department of Health

03/12/2009

Office of Community Assistance

Regional Profile - Based on NDSU 2005 Projections

Basic Care

Region II

Elder Population - 2005 *							
	55-59	60-64	65-69	70-74	75-79	80-84	85+
Total	4390	3442					2185
	Total 65+	13766	Total 65-74	6302	Total 75-84	5279	

Basic Care Capacity (March 2009)		
Community	Facility	Basic Care Beds
New Town	New Town Good Samaritan Center	16
Rugby	Harold S. Haaland Home	68
Kenmare	Baptist Home of Kenmare	60
Minot	Edgewood Vista	31
Minot	Edgewood Vista - ARD	22
Minot	Emerald Court	28
	Totals	225

Bed/Elder Population Ratios**	
Year	Basic Care Beds
2009	16.34

State Target Ratios***	
	Basic Care Beds
*NDSU Census Projections - 2005	
**Per 1000 Age 65+	15
***Basic Care by State Health Council - 1994	

Additional Basic Care Bed Capacity Target	-18.51

Population - NDSU 2005 Census Projections						
County	55-59	60-64	65-74	75-84	85+	65+
Bottineau	498	394	650	609	263	1522
Burke	194	119	230	196	71	497
McHenry	335	293	636	463	223	1322
Mountraill	384	311	541	427	201	1169
Pierce	217	215	435	495	204	1134
Renville	159	108	264	203	99	566
Ward	2603	2002	3546	2886	1124	7556
Totals	4390	3442	6302	5279	2185	13766

North Dakota Department of Health

03/12/2009

Office of Community Assistance

Regional Profile - Based on NDSU 2005 Projections

Basic Care

Region IV

Elder Population - 2005 *							
	55-59	60-64	65-69	70-74	75-79	80-84	85+
Total	4398	3128					1793
	Total 65+	11442	Total 65-74	4978	Total 75-84	4671	

Basic Care Capacity (March 2009)		
Community	Facility	Basic Care Beds
Grand Forks	Parkwood Place Inn	40
Grand Forks	St. Anne's Guest Home	54
Grand Forks	Tufte Manor	23
Grand Forks	Edgewood Vista (Approved-not built)	20
Mountain	Borg Pioneer Rest Home	43
Walhalla	Pembilier Nursing Center	13
Grand Forks	Maple View	26
	Totals	219

Bed/Elder Population Ratios**	
Year	Basic Care Beds
2009	19.14

State Target Ratios***	
*NDSU Census Projections - 2002	Basic Care Beds
**Per 1000 Age 65+	15
***Basic Care by State Health Council - 1994	

Additional Basic Care Bed Capacity Target	-47.37

Population - NDSU 2005 Census Projections						
County	55-59	60-64	65-74	75-84	85+	65+
Grand Forks	2866	1977	2887	2619	981	6487
Nelson	247	185	422	473	179	1074
Pembina	555	391	683	693	270	1646
Walsh	730	575	986	886	363	2235
Totals	4398	3128	4978	4671	1793	11442

North Dakota Department of Health

03/12/2009

Office of Community Assistance

Regional Profile - Based on NDSU 2005 Projections

Basic Care

Region V

Elder Population - 2005 *							
	55-59	60-64	65-69	70-74	75-79	80-84	85+
Total	9021	6383					3267
	Total 65+	21075	Total 65-74	9677	Total 75-84	8131	

Basic Care Capacity (March 2009)		
Community	Facility	Basic Care Beds
Arthur	Prairie Villa	25
Fargo	Edgewood Vista	33
Fargo	Waterford at Harwood Groves	20
Fargo	Evergreens of Fargo 1401 Gateway	18
Fargo	Evergreens of Fargo 1405 Gateway	18
Fargo	Evergreens of Fargo 1409 Gateway	18
Fargo	Evergreens of Fargo 1411 Gateway	18
Forman	Four Seasons Healthcare	5
Lisbon	ND Veterans Home (Special Popul. - not included in total/ratio)	111
Wahpeton	St. Catherine's Living Center	16
Wahpeton	The Leach Home	39
West Fargo	Sheyenne Crossings	24
Fargo	Bethany Homes (Approved - not yet built)	36
Fargo	Good Samaritan Centers	30
	Total	300

Bed/Elder Population Ratios**		
Year		Basic Care Beds
2009		14.23

State Target Ratios***	
*NDSU Census Projections - 2005	Basic Care Beds
**Per 1000 Age 65+	15
***Basic Care by State Health Council - 1994	

Additional Basic Care Bed Capacity Target	16.13

Population - NDSU 2005 Census Projections						
County	55-59	60-64	65-74	75-84	85+	65+
Cass	7107	4713	6848	5347	2087	14282
Ransom	310	279	497	552	224	1273
Richland	808	684	1115	1089	535	2739
Sargent	238	216	381	310	93	784
Steele	123	118	221	182	47	450
Traill	435	373	615	651	281	1547
Totals	9021	6383	9677	8131	3267	21075

North Dakota Department of Health

03/12/2009

Office of Community Assistance

Regional Profile - Based on NDSU 2005 Projections

Basic Care

Region VI

Elder Population - 2005 *							
	55-59	60-64	65-69	70-74	75-79	80-84	85+
Total	3271	2915					2203
	Total 65+	13253	Total 65-74	5609	Total 75-84	5441	

Basic Care Capacity (March 2009)		
Community	Facility	Basic Care Beds
Carrington	Holy Family Villa	24
Ellendale	Ellendale Evergreen Place	20
Edgeley	Manor St. Joseph	40
Gackle	Gackle Care Center	41
Jamestown	Bethel Four Acres Ltd.	16
Jamestown	Roseadele	20
Jamestown	Rock of Ages	53
Valley City	Sheyenne Care Center (Pending)	15
Valley City	Hi Soaring Eagle Ranch (Special Popul. - Not incl. in total/ratio)	11
	Total	229

Bed/Elder Population Ratios**	
Year	Basic Care Beds
2009	17.28

State Target Ratios***	
*NDSU Census Projections - 2005	Basic Care Beds
**Per 1000 Age 65+	15
***Basic Care by State Health Council - 1994	

Additional Basic Care Bed Capacity Target	-30.21

Population - NDSU 2005 Census Projections						
County	55-59	60-64	65-74	75-84	85+	65+
Barnes	682	582	1028	926	414	2368
Dickey	285	282	518	444	229	1191
Foster	189	140	373	330	132	835
Griggs	166	119	224	303	133	660
LaMoure	265	232	484	447	155	1086
Logan	119	141	262	258	111	631
McIntosh	158	172	461	481	218	1160
Stutsman	1130	996	1704	1734	584	4022
Wells	277	251	555	518	227	1300
Totals	3271	2915	5609	5441	2203	13253

North Dakota Department of Health

03/12/2009

Office of Community Assistance

Regional Profile - Based on NDSU 2005 Projections

Basic Care

Region VII

Elder Population - 2005 *							
	55-59	60-64	65-69	70-74	75-79	80-84	85+
Total	7434	5598					2848
	Total 65+	19455	Total 65-74	9198	Total 75-84	7409	

Basic Care Capacity (March 2009)		
Community	Facility	Basic Care Beds
Bismarck	Baptist Home Inc.	10
Bismarck	Edgewood Vista	48
Bismarck	Edgewood Vista (Approved-not built)	25
Bismarck	Maple View North	28
Bismarck	Maple View East	20
Bismarck	The Terrace	40
Bismarck	Waterford on West Century	20
Elgin	Dakota Hill Housing	35
Hazen	Senior Suites at Sakakawea	34
Mandan	Dakota Pointe (Special Population - not included in total/ratio)	10
McClusky	Sheridan Memorial Home	16
Wilton	Redwood Village	16
	Totals	292

Bed/Elder Population Ratios**		
Year		Basic Care Beds
2009		15.01

State Target Ratios***	
*NDSU Census Projections - 2002	Basic Care Beds
**Per 1000 Age 65+	15
***Basic Care by State Health Council - 1994	

Additional Basic Care Bed Capacity Target	-0.18

Population - NDSU 2005 Census Projections						
County	55-59	60-64	65-74	75-84	85+	65+
Burleigh	3820	2748	4326	3245	1135	8706
Emmons	249	218	498	492	170	1160
Grant	178	155	279	268	126	673
Kidder	133	128	296	256	99	651
McLean	651	573	847	756	363	1966
Mercer	494	360	586	524	216	1326
Morton	1479	1060	1878	1490	630	3998
Oliver	168	111	140	123	35	298
Sheridan	103	109	195	180	59	434
Sioux	159	136	153	75	15	243
Totals	7434	5598	9198	7409	2848	19455

North Dakota Department of Health

03/12/2009

Office of Community Assistance

Regional Profile - Based on NDSU 2005 Projections

Basic Care

Region VIII

Elder Population - 2005 *							
	55-59	60-64	65-69	70-74	75-79	80-84	85+
Total	2159	1649					1081
	Total 65+	6887	Total 65-74	3124	Total 75-84	2682	

Basic Care Capacity (March 2009)		
Community	Facility	Basic Care Beds
Hettinger	Western Horizons Care Center	6
Bowman	Southwest Healthcare Services	5
Mott	Mott Good Samaritan Nursing Center	9
Dickinson	Countryhouse Residences	24
Dickinson	Countryhouse Residences (Approved-not built)	10
Dickinson	Evergreen Inn	51
	Total	105

Bed/Elder Population Ratios**	
Year	Basic Care Beds
2009	15.25

State Target Ratio***	
	Basic Care Beds
*NDSU Census Projections - 2005	
**Per 1000 Age 65+	15
***Basic Care by State Health Council - 1994	

Additional Basic Care Bed Capacity Target	-1.70

Population - NDSU 2005 Census Projections						
County	55-59	60-64	65-74	75-84	85+	65+
Adams	163	115	280	223	115	618
Billings	60	44	61	54	25	140
Bowman	166	148	279	294	123	696
Dunn	224	180	309	232	98	639
Golden Valley	97	83	165	156	87	408
Hettinger	171	136	316	263	103	682
Slope	46	24	93	38	18	149
Stark	1232	919	1621	1422	512	3555
Totals	2159	1649	3124	2682	1081	6887

North Dakota Department of Health 03/13/2009

Office of Community Assistance

State Profile

Institutional Long Term Care

North Dakota

Elder Population - 2005 *							
	55-59	60-64	65-69	70-74	75-79	80-84	85+
Total	34457	26272					15289
	Total 65+	97771	Total 65-74	44231	Total 75-84	38251	

Long Term Care Capacity (March 2009)					
Region	Facility Number & Type	Nursing Beds	Swing Beds	Basic Care Beds	Total LTC Beds
I	4 Swing Bed Facilities		99		99
I	4 Nursing Facilities	287			287
I	3 Basic Care Facilities			106	106
II	4 Swing Bed Facilities		86		86
II	10 Nursing Facilities	800			800
II	6 Basic Care Facilities			225	225
III	4 Swing Bed Facilities		95		95
III	8 Nursing Facilities	447			447
III	6 Basic Care Facilities			115	115
IV	5 Swing Bed Facilities		87		87
IV	11 Nursing Facilities	804			804
IV	7 Basic Care Facilities			199	219
V	3 Swing Bed Facilities		70		70
V	16 Nursing Facilities	1261			1261
V	11 Basic Care Facilities			411	411
VI	8 Swing Bed Facilities		182		182
VI	12 Nursing Facilities	989			989
VI	9 Basic Care Facilities			240	240
VII	5 Swing Bed Facilities		107		107
VII	16 Nursing Facilities	1201			1201
VII	12 Basic Care Facilities			277	302
VIII	4 Swing Bed Facilities		179		179
VIII	6 Nursing Facilities	472			472
VIII	5 Basic Care Facilities			95	105
North Dakota	37 Swing Bed Facilities		905		905
North Dakota	83 Nursing Facilities	6261			6261
North Dakota	57 Basic Care Facilities			1668	1668
	Total Nursing Facility and Basic Care Beds			7929	

Bed/Elder Population Ratios**	Nursing Beds	Basic Care Beds	Total Basic & Nursing Beds
Year			
2009	64.04	17.06	81.10

State Target Ratios***	Nursing Beds	Basic Care Beds	Total Basic & Nursing Beds
*NDSU Projections - 2005			
**Per 1000 Age 65+	60	15	75

***Basic Care by State Health Council - 1994
Nursing Facility by ND Task Force on Long Term Care Planning - 1996

Population - NDSU 2005 Census Projections						
Region	55-59	60-64	65-74	75-84	85+	65+
I	1530	1234	2159	1908	778	4845
II	4390	3442	6302	5279	2185	13766
III	2254	1923	3184	2730	1134	7048
IV	4398	3128	4978	4671	1793	11442
V	9021	6383	9677	8131	3267	21075
VI	3271	2915	5609	5441	2203	13253
VII	7434	5598	9198	7409	2848	19455
VIII	2159	1649	3124	2682	1081	6887
Totals	34457	26272	44231	38251	15289	97771

North Dakota Department of Health 03/13/2009

Office of Community Assistance

Regional Profile

Institutional Long Term Care

Region I

Elder Population - 2005 *							
	55-59	60-64	65-69	70-74	75-79	80-84	85+
Total	1530	1234					778
	Total 65+	4845	Total 65-74	2159	Total 75-84	1908	

Long Term Care Capacity (March 2009)					
Community	Facility	Nursing Beds	Swing Beds	Basic Care Beds	Total LTC Beds
Crosby	St. Luke's Hospital		25		25
Crosby	Good Samaritan Center	42		16	58
Tioga	Tioga Medical Center	30	25		55
Watford City	McKenzie County Healthcare System	47	24		71
Williston	MercyMedical Center		25		25
Williston	Bethel Lutheral Home	168		19	187
Williston	Kensington			71	71
	Totals	287	99	106	492

Bed/Elder Population Ratios**				
Year	Nursing Beds		Basic Care Beds	Total Basic & Nursing Beds
2009	59.24		21.88	81.11

State Target Ratios***			
*NDSU Projections - 2005	Nursing Beds	Basic Care Beds	Total Basic & Nursing Beds
**Per 1000 Age 65+	60	15	75

***Basic Care by State Health Council - 1994
Nursing Facility by ND Task Force on Long Term Care Planning - 1996

Population - NDSU 2005 Census Projections						
County	55-59	60-64	65-74	75-84	85+	65+
Divide	144	107	256	259	141	656
McKenzie	331	287	436	345	173	954
Williams	1055	840	1467	1304	464	3235
Totals	1530	1234	2159	1908	778	4845

North Dakota Department of Health 03/13/2009

Office of Community Assistance

Regional Profile

Institutional Long Term Care

Region II

Elder Population - 2005 *							
	55-59	60-64	65-69	70-74	75-79	80-84	85+
Total	4390	3442					2185
	Total 65+	13766	Total 65-74	6302	Total 75-84	5279	

Long Term Care Capacity (March 2009)					
Community	Facility	Nursing Beds	Swing Beds	Basic Care Beds	Total LTC Beds
Bottineau	Bottineau Good Samaritan Center	81			81
Bottineau	St. Andrew's Health Center		25		25
Westhope	Westhope Home	25			25
Velva	Souris Valley Care Center	50			50
New Town	New Town Good Samaritan Center			16	16
Parshall	Rockview Good Samaritan Center	38			38
Stanley	Mountrail Bethel Home	57			57
Stanley	Mountrail County medical Center		11		11
Rugby	Harold S. Haaland Home			68	68
Rugby	Heart of America Medical Center	80	25		105
Mohall	North Central Good Samaritan Home	59			59
Kenmare	Baptist Home of Kenmare			60	60
Kenmare	Kenmare Community Hospital	12	25		37
Minot	Edgewood Vista			31	31
Minot	Edgewood Vista - ARD			22	22
Minot	Emerald Court			28	28
Minot	Manorcare Health Services	106			106
Minot	Trinity Nursing Home	292			292
	Totals	800	86	225	1111

Bed/Elder Population Ratios**			
Year	Nursing Beds	Basic Care Beds	Total Basic & Nursing Beds
2009	58.11	16.34	74.46

State Target Ratios***			
	Nursing Beds	Basic Care Beds	Total Basic & Nursing Beds
*NDSU Projections 2005			
**Per 1000 Age 65+	60	15	75

***Basic Care by State Health Council - 1994
Nursing Facility by ND Task Force on Long Term Care Planning - 1996

Population - NDSU 2005 Census Projections						
County	55-59	60-64	65-74	75-84	85+	65+
Bottineau	498	394	650	609	263	1522
Burke	194	119	230	196	71	497
McHenry	335	293	636	463	223	1322
Mountraill	384	311	541	427	201	1169
Pierce	217	215	435	495	204	1134
Renville	159	108	264	203	99	566
Ward	2603	2002	3546	2886	1124	7556
Totals	4390	3442	6302	5279	2185	13766

North Dakota Department of Health

03/13/2009

Office of Community Assistance

Regional Profile

Institutional Long Term Care

Region III

Elder Population - 2005 *							
	55-59	60-64	65-69	70-74	75-79	80-84	85+
Total	2254	1923					1134
	Total 65+	7048	Total 65-74	3184	Total 75-84	2730	

Long Term Care Capacity (March 2009)					
Community	Facility	Nursing Beds	Swing Beds	Basic Care Beds	Total LTC Beds
Maddock	Maddock Memorial Home			25	25
Langdon	Cavalier County Memorial Hospital		25		25
Langdon	Maple Manor Care Center	63			63
Osnabrock	Osnabrock Good Samaritan Center	24		6	30
New Rockford	Lutheran Home of the Good Shepherd	80			80
Devils Lake	Devils Lake Good Samaritan Center	66			66
Devils Lake	Mercy Hospital of Devils Lake		25		25
Devils Lake	Heartland Care Center	88			88
Devils Lake	Odd Fellows Home			43	43
Devils Lake	Lake Country Manor			6	6
Edmore	Edmore Memorial Home			25	25
Dunseith	Dunseith Community Nursing Home	35			35
Rolette	Presentation Care Center	46			46
Rolla	Presentation Medical Center		25		25
Cando	Towner County Living Center	45			45
Cando	St. Francis Residence			10	10
Cando	Towner County Medical Center		20		20
	Totals	447	95	115	657

Bed/Elder Population Ratios**			
Year	Nursing Beds	Basic Care Beds	Total Basic & Nursing Beds
2009	63.42	16.32	79.74

State Target Ratios***			
*NDSU Projections - 2005	Nursing Beds	Basic Care Beds	Total Basic & Nursing Beds
**Per 1000 Age 65+	60	15	75

***Basic Care by State Health Council - 1994
Nursing Facility by ND Task Force on Long Term Care Planning - 1996

Population - NDSU 2005 Census Projections						
County	55-59	60-64	65-74	75-84	85+	65+
Benson	325	288	441	362	147	950
Cavalier	305	252	528	390	179	1097
Eddy	145	127	283	290	119	692
Ramsey	666	571	873	935	390	2198
Rolette	633	546	817	525	161	1503
Towner	180	139	242	228	138	608
Totals	2254	1923	3184	2730	1134	7048

North Dakota Department of Health 03/13/2009

Office of Community Assistance

Regional Profile

Institutional Long Term Care

Region IV

Elder Population - 2005 *							
	55-59	60-64	65-69	70-74	75-79	80-84	85+
Total	4398	3128					1793
	Total 65+	11442	Total 65-74	4978	Total 75-84	4671	

Long Term Care Capacity (March 2009)					
Community	Facility	Nursing Beds	Swing Beds	Basic Care Beds	Total LTC Beds
Grand Forks	Parkwood Place Inn			40	40
Grand Forks	St. Anne's Guest Home			54	54
Grand Forks	Valley Eldercare Center	176			176
Grand Forks	Tufte Manor			23	23
Grand Forks	Edgewood Vista (Approved-not built)			20	
Grand Forks	Woodside Village	118			118
Grand Forks	Maple View (Approved - not yet built)			26	26
Larimore	Larimore Good Samaritan Center	45			45
Northwood	Northwood Deaconess Health Center	61	12		73
Aneta	Aneta Parkview Health Center	39			39
Lakota	Lakota Good Samaritan Center	49			49
McVille	Nelson County Health System	39	19		58
Cavalier	Pembina County Memorial Hospital		25		25
Cavalier	Wedgewood Manor	60			60
Mountain	Borg Pioneer Rest Home			43	43
Walhalla	Pembilier Nursing Center	37		13	50
Grafton	Christian Unity Hospital		17		17
Grafton	Lutheran Sunset Home	104			104
Park River	Park River Good Samaritan Center	76			76
Park River	First Care Health Center		14		14
	Totals	804	87	219	1090

Bed/Elder Population Ratios**	Nursing Beds	Basic Care Beds	Total Basic & Nursing Beds
Year			
2009	70.27	19.14	89.41

State Target Ratios***	Nursing Beds	Basic Care Beds	Total Basic & Nursing Beds
*NDSU Projections - 2005			
**Per 1000 Age 65+	60	15	75

***Basic Care by State Health Council - 1994
Nursing Facility by ND Task Force on Long Term Care Planning - 1996

Population - NDSU 2005 Census Projections						
County	55-59	60-64	65-74	75-84	85+	65+
Grand Forks	2866	1977	2887	2619	981	6487
Nelson	247	185	422	473	179	1074
Pembina	555	391	683	693	270	1646
Walsh	730	575	986	886	363	2235
Totals	4398	3128	4978	4671	1793	11442

North Dakota Department of Health 03/13/2009

Office of Community Assistance

Regional Profile

Institutional Long Term Care

Region V

Elder Population - 2005 *							
	55-59	60-64	65-69	70-74	75-79	80-84	85+
Total	9021	6383					3267
	Total 65+	21075	Total 65-74	9677	Total 75-84	8131	

Long Term Care Capacity (March 2009)					
Community	Facility	Nursing Beds	Swing Beds	Basic Care Beds	Total LTC Beds
Arthur	Arthur Good Samaritan Center	47			25
Arthur	Prairie Villa			25	
Fargo	Bethany Homes (Basic care pending)	192		36	228
Fargo	Elim Care Center	136			136
Fargo	Manor Health Services	109			109
Fargo	MeritCare Transitional Care Unit	33			33
Fargo	Rosewood on Broadway	111			111
Fargo	Evergreens of Fargo			72	72
Fargo	Villa Maria Healthcare	140			140
Fargo	Waterford at Harwood Groves			20	
West Fargo	Sheyenne Crossing			24	
Fargo	Edgewood Vista			33	
Fargo	Good Samaritan Ctrs.			30	
Enderlin	Enderlin Hillcrest Manor	54			54
Lisbon	Lisbon Area Health Services		25		25
Lisbon	North Dakota Veterans Home	38		111	149
Lisbon	Parkside Lutheran Home	40			40
Hankinson	St. Gerard's Community Nursing Hm.	37			37
Wahpeton	St. Catherine's Living Center	112		16	128
Wahpeton	The Leach Home			39	39
Forman	Four Seasons Health Care Inc.	35		5	40
Hatton	Tri-County Retirement & Nursing Hm.	42			42
Hillsboro	Hillsboro Medical Center	36	20		56
Mayville	Union Hospital		25		25
Mayville	Luther Memorial Home	99			99
	Totals	1261	70	411	1588

Bed/Elder Population Ratios**				
Year	Nursing Beds		Basic Care Beds	Total Basic & Nursing Beds
2009	59.83		19.50	79.34

State Target Ratios***			
	Nursing Beds	Basic Care Beds	Total Basic & Nursing Beds
*NDSU Projections - 2005			
**Per 1000 Age 65+	60	15	75

***Basic Care by State Health Council - 1994
Nursing Facility by ND Task Force on Long Term Care Planning - 1996

Population - NDSU 2005 Census Projections						
County	55-59	60-64	65-74	75-84	85+	65+
Cass	7107	4713	6848	5347	2087	14282
Ransom	310	279	497	552	224	1273
Richland	808	684	1115	1089	535	2739
Sargent	238	216	381	310	93	784
Steele	123	118	221	182	47	450
Traill	435	373	615	651	281	1547
Totals	9021	6383	9677	8131	3267	21075

North Dakota Department of Health

03/13/2009

Office of Community Assistance

Regional Profile

Institutional Long Term Care

Region VI

Elder Population - 2005 *							
	55-59	60-64	65-69	70-74	75-79	80-84	85+
Total	3271	2915					2203
	Total 65+	13253	Total 65-74	5609	Total 75-84	5441	

Long Term Care Capacity (March 2009)					
Community	Facility	Nursing Beds	Swing Beds	Basic Care Beds	Total LTC Beds
Valley City	Hi Soaring Eagle Ranch			11	11
Valley City	Mercy Hospital		25		25
Valley City	Sheyenne Care Center	170		15	185
Ellendale	Prince of Peace Care Center	55			55
Ellendale	Ellendale Evergreen Place			20	20
Oakes	Oakes Community Hospital		20		20
Oakes	Oakes Good Samaritan Center	102			102
Carrington	Carrington Health Center		25		25
Carrington	Golden Acres Manor	60			60
Carrington	Holy Family Villa			24	24
Cooperstown	Griggs County Hospital & Nsg. Home	48	18		66
Edgeley	Manor St. Joseph			40	40
LaMoure	St. Rose Care Center	44			44
Gackle	Gackle Care Center			41	41
Napoleon	Napoleon Care Center	44			44
Ashley	Ashley Medical Center	44	20		64
Wishek	Wishek Community Hospital		24		24
Wishek	Wishek Home for the Aged	74			74
Jamestown	Bethel Four Acres Ltd.			16	16
Jamestown	Ave Maria Village	100			100
Jamestown	Roseadele			20	20
Jamestown	Hi-Acres Manor	142			142
Jamestown	Jamestown Hospital		25		25
Jamestown	Rock of Ages			53	53
Harvey	St. Aloisius Medical Center	106	25		131
	Totals	989	182	240	1411

Bed/Elder Population Ratios**				
Year	Nursing Beds		Basic Care Beds	Total Basic & Nursing Beds
2009	74.62		18.11	92.73

State Target Ratios***			
*NDSU Projections - 2005	Nursing Beds	Basic Care Beds	Total Basic & Nursing Beds
**Per 1000 Age 65+	60	15	75

***Basic Care by State Health Council - 1994
Nursing Facility by ND Task Force on Long Term Care Planning - 1996

Population - NDSU 2005 Census Projections						
County	55-59	60-64	65-74	75-84	85+	65+
Barnes	682	582	1028	926	414	2368
Dickey	285	282	518	444	229	1191
Foster	189	140	373	330	132	835
Griggs	166	119	224	303	133	660
LaMoure	265	232	484	447	155	1086
Logan	119	141	262	258	111	631
McIntosh	158	172	461	481	218	1160
Stutsman	1130	996	1704	1734	584	4022
Wells	277	251	555	518	227	1300
Totals	3271	2915	5609	5441	2203	13253

North Dakota Department of Health

03/13/2009

Office of Community Assistance

Regional Profile

Institutional Long Term Care

Region VII

Elder Population - 2005 *							
	55-59	60-64	65-69	70-74	75-79	80-84	85+
Total	7434	5598					2848
	Total 65+	19455	Total 65-74	9198	Total 75-84	7409	

Long Term Care Capacity (March 2009)					
Community	Facility	Nursing Beds	Swing Beds	Basic Care Beds	Total LTC Beds
Bismarck	MedCenter One Subacute Care Unit	22			22
Bismarck	St. Alexius Transitional Care Unit	19			19
Bismarck	Baptist Home Inc.	141		10	151
Bismarck	Edgewood Vista			48	48
Bismarck	Edgewood Vista (Approved-not built)			25	25
Bismarck	Missouri Slope Lutheran Care Center	250			250
Bismarck	St Vincent's Care Center	101			101
Bismarck	Maple View			28	28
Bismarck	Maple View II East			20	20
Bismarck	The Terrace			40	40
Bismarck	Waterford on West Century			20	20
Wilton	Redwood Village			16	16
Linton	Linton Hospital		14		14
Strasburg	Strasburg Nursing Home	60			60
Elgin	Dakota Hill Housing			35	35
Elgin	Jacobson Care Center	25	21		46
Steele	Golden Manor Inc.	50			50
Garrison	Garrison Memorial Hospital	28	22		50
Garrison	Benedictine Living Center	63			63
Turtle Lake	Community Memorial Hosptital		25		25
Underwood	Prairieview Nursing Home	60			60
Beulah	Knife River Care Center	86			86
Hazen	Sakakawea Medical Center		25		25
Hazen	Senior Suites at Sakakawea			34	34
Glen Ullin	Marian Manor Healthcare Center	86			86
Mandan	Dakota Alpha	20			20
Mandan	Dakota Pointe			10	10
Mandan	Medcenter One Care Center	128			128
New Salem	Elm Crest Manor	62			62
McClusky	Sheridan Memorial Home			16	16
	Totals	1201	107	302	1610

Bed/Elder Population Ratios**					
Year		Nursing Beds		Basic Care Beds	Total Basic & Nursing Beds
2009		61.73		15.52	77.26
State Target Ratios*		Nursing Beds		Basic Care Beds	Total Basic & Nursing Beds
*NDSU Projections - 2005					
**Per 1000 Age 65+		60		15	75

***Basic Care by State Health Council - 1994
Nursing Facility by ND Task Force on Long Term Care Planning - 1996

Population - NDSU 2005 Census Projections						
County	55-59	60-64	65-74	75-84	85+	65+
Burleigh	3820	2748	4326	3245	1135	8706
Emmons	249	218	498	492	170	1160
Grant	178	155	279	268	126	673
Kidder	133	128	296	256	99	651
McLean	651	573	847	756	363	1966
Mercer	494	360	586	524	216	1326
Morton	1479	1060	1878	1490	630	3998
Oliver	168	111	140	123	35	298
Sheridan	103	109	195	180	59	434
Sioux	159	136	153	75	15	243
Totals	7434	5598	9198	7409	2848	19455

North Dakota Department of Health

03/13/2009

Office of Community Assistance

Regional Profile

Institutional Long Term Care

Region VIII

Elder Population - 2005 *							
	55-59	60-64	65-69	70-74	75-79	80-84	85+
Total	2159	1649					1081
	Total 65+	6887	Total 65-74	3124	Total 75-84	2682	

Long Term Care Capacity (March 2009)					
Community	Facility	Nursing Beds	Swing Beds	Basic Care Beds	Total LTC Beds
Hettinger	West River Regional Medical Center		25		25
Hettinger	Western Horizons Care Center	62		6	68
Bowman	Southwest Healthcare Services	61	23	5	89
Killdeer	Hilltop Home of Comfort	50			50
Mott	Mott Good Samaritan Nursing Center	51		9	60
Dickinson	St. Joseph's Hospital & Care Center		106		106
Dickinson	St. Benedict's Health Center	164			164
Dickinson	St. Luke's Home	84			84
Dickinson	Countryhouse Residences			24	24
Dickinson	Countryhse Res. (Approved-not built)			10	10
Dickinson	Evergreen Inn			51	51
Richardton	Richardton Health Center		25		25
	Totals	472	179	105	756

Bed/Elder Population Ratios**			
Year	Nursing Beds	Basic Care Beds	Total Basic & Nursing Beds
2009	68.53	15.25	83.78

State Target Ratios***			
*NDSU Projections - 2005	Nursing Beds	Basic Care Beds	Total Basic & Nursing Beds
**Per 1000 Age 65+	60	15	75

***Basic Care by State Health Council - 1994
Nursing Facility by ND Task Force on Long Term Care Planning - 1996

Population - NDSU 2005 Census Projections						
County	55-59	60-64	65-74	75-84	85+	65+
Adams	163	115	280	223	115	618
Billings	60	44	61	54	25	140
Bowman	166	148	279	294	123	696
Dunn	224	180	309	232	98	639
Golden Valley	97	83	165	156	87	408
Hettinger	171	136	316	263	103	682
Slope	46	24	93	38	18	149
Stark	1232	919	1621	1422	512	3555
Totals	2159	1649	3124	2682	1081	6887

#12

NDLA, S HMS HB1327

From: Lee, Judy E.
Sent: Monday, March 09, 2009 11:21 PM
To: NDLA, S HMS
Subject: FW: Thank You

Mary –
More copies, please

Senator Judy Lee
1822 Brentwood Court
West Fargo, ND 58078
home phone: 701-282-6512
e-mail: jlee@nd.gov

From: Jon Riewer [mailto:jriewer@eventide.org]
Sent: Monday, March 09, 2009 9:06 AM
To: Lee, Judy E.
Subject: RE: Thank You

Sen. Lee,

We didn't get too far into the discussion about basic care/assisted living with the spokeswoman from Steele, mainly because they prefer to keep the focus on nursing home beds specifically. I do see a unique opportunity, however, for Steele and/or another agency, preferably a MedCenter One or nearby full service provider to develop a model that could be an example of strategic repositioning for the future (I honestly don't believe that MedCenter One is not interested in keeping the peace in this area of their market and wouldn't be interested in making this work, even at some of their expense with the PR implications in mind). I think we all feel the basic care/assisted living is that model and could be improved in coming years to provide better rates and even more flexibility of services for smaller communities in the future while saving the State dollars on otherwise skilled care residents. The staffing model offers additional flexibility over skilled care and certainly it would be at it's best when paired with other home and community based services like adult day services like adult day care, assisted living, and home health. Also, I haven't had the chance to explore the Money Follows the Person program but if I were charged with making Steele viable for the future that would be top on my list of areas to begin researching from everything I hear. Judy, let me say again that I am so impressed with your approach to this issue. The people aspect of this issue is not lost on me, however, with that in mind I believe if this issue creates bad precedent for the future of other small communities across ND we will have many more people who will lose the chance to appropriately reposition their senior services for the future. Let me know if I can be of further assistance.

Thanks,

Jon

HB 1327

Assisted Living Regulatory/Policy Changes in 2007: Summary of NCAL's Findings, March 2008

(Derived from information collected for NCAL's *Assisted Living State Regulatory Review 2008*, National Center for Assisted Living, Washington, D.C. For additional information, please contact Karl Polzer, NCAL Senior Policy Director, at 202-898-6320 or kpolzer@ncal.org.)

- More than 20 states made regulatory and/or legislative changes in 2007 impacting assisted living/residential care residents and facilities -- up from about one third of the states in 2006.
- Twelve states made major changes to their assisted living regulations in 2007 – many more than in each of the previous two years.
- As in 2006, three states implemented new levels of licensure in part to accommodate increased resident acuity. In 2007, Pennsylvania and the District of Columbia established new "assisted living" licensure alongside existing licensure categories, while Wyoming added new rules allowing secure dementia units under a tiered licensing system. Other states continued refining multi-tiered licensing systems.

In 2007:

- States continued developing standards for Alzheimer's/dementia populations (including MO, NJ, OH, OK, WY).
- Several states established or tightened criminal background check requirements (including AK, KY, NE, VA, WY).
- Several states made changes to fire safety/emergency preparedness standards (including CA, DC, MO, NE, OK, VA).
- Several states changed rules concerning food safety and dietary issues (including AL, MO, OH, OK, OR, WY).
- States continued adding disclosure requirements (including MD, OH, OK).

States also:

- Made changes to staff training requirements (including DC, KY, OH, OR, WY).
- Changed medication management rules (including MO, NJ, OH).
- Specified reporting/record keeping requirements (including AL, KY, NE, OK).
- Specified staffing requirements (including NJ, OH, OK).
- Implemented infection control measures (including AL, KY).

Other areas in which state assisted living regulations changed include survey procedures, licensure fees, requirements when closing or expanding operations, resident rights, dispute resolution procedures, move-in/move-out requirements, and resident assessments. In 2007, at least two of the few remaining states without Medicaid coverage for assisted living services took steps toward including such coverage under Medicaid waivers. And North Carolina passed legislation that bans smoking in licensed assisted living facilities statewide.

2007 State-by-State Highlights

The following state-by-state highlights of assisted living regulatory/statutory and Medicaid policy changes are based on information provided by state officials and NCAL's state affiliates:

Alabama:

- Defined a "qualified dietician" to ensure facilities understand the necessary qualifications of an individual chosen to be used as a dietician.
- Clarified the TB testing and immunization requirements for assisted living employees.
- Clarified the TB testing and immunization requirements for residents of assisted living facilities in accordance with current CDC recommendations.
- Clarified the reporting requirements of reportable incidents from assisted living facilities to the Department of Public Health.
- Clarified the admission and continued stay requirements for assisted living facilities.
- Changed the assisted living facility dietary requirements bringing them up to current FDA food code guidelines and requiring additional staff training to ensure proper food handling, storage, and service.

Alaska:

- Implemented new background check regulations.

California:

Legislation passed in 2007:

- Establishes procedures that licensed Residential Care Facilities for the Elderly (RCFE) must follow when residents must be relocated as a result of forfeiture of license due to specified reason, or evictions due to changes of use of the facility. This new law has been designed to minimize transfer trauma, to ensure that residents are transferred safely, and to ensure that the California Department of Social Services has appropriate oversight of the process.

- Requires every Community Care Facility (CCF) and RCFE to provide a disaster and mass casualty plan (required by section 87223 of the RCFE regulations),

upon request by any fire department, law enforcement agency, civil defense, and/or other disaster authority in their area.

District of Columbia:

- In 2007, the District of Columbia moved from one to two levels of licensure by issuing regulations for Assisted Living Residences (ALRs). ALRs may provide a more intense level of care than Community Residence Facilities (CRFs) and have more stringent staff training and life safety requirements. While there are some limitations about who can be admitted to an ALR, once a person is admitted, he/she can "age in place" and even receive nursing home level care, as long as the resident's needs are being met. A resident must leave a CRF when it is observed that his or her needs are no longer being met. By April 1, 2008, all facilities must be licensed as either a CRF or ALR.

- The District of Columbia is developing a Medicaid waiver covering assisted living services in ALRs.

Illinois:

Legislation that became effective in 2007:

- Allows Assisted Living/Shared Housing Establishments that meet specific requirements to be eligible to receive a two-year license.
- Requires board and care homes to be licensed as Assisted Living/Shared Housing Establishments.

Kentucky:

Revised assisted living regulations that became effective Nov. 19, 2007:

- Define "temporary health condition."
- Establish pro-rating of the annual fee the first year and for the initial certification.
- Set out requirements for adding units, decreasing units, or terminating operation (including requirements to ensure that clients have been relocated).
- Change the onsite review to include unannounced visits and specify documents and records to be reviewed.
- Impose a new requirement for criminal record checks (which were already required) to be applied for within seven days of hire.

- Require that employees read and agree to the policy and procedures of the Assisted Living Community (ALC) regarding communicable disease.
- Increase staff orientation and in-service education requirements.
- Increase functional needs assessment requirements to reflect the client's ongoing ability to perform activities of daily living and instrumental activities of daily living.
- Lengthen the time frame for sending statements of non-compliance to facilities and for facilities to complete and submit plans of compliance.
- Allow an ALC to request informal dispute resolution to be held within 15 days of the ALC's receipt of notice of denial of certification and appeal rights if an informal dispute resolution is not requested.
- Spell out when certification denial or revocation will be imposed and requirements when denial or revocation is upheld, including assisting clients in locating alternative living arrangements when a facility ceases to operate.

Maryland:

- Began requiring facilities to complete a disclosure form to be included in marketing materials and made available to consumers on request.

Mississippi:

- Recent legislation provides residents with freedom of choice of pharmacies or pharmacist providers.

Missouri:

In 2007, Missouri made several regulatory changes continuing a series of major reforms. Residential Care Facilities (RCFs) and Assisted Living Facilities (ALFs) will be required to have an interconnected fire alarm system installed by December 31, 2008. RCFs and ALFs that do not care for residents who require more than minimal assistance to evacuate and are licensed for more than 20 residents will be required to have a residential sprinkler system.

Regulations for RCFs and ALFs that were amended in 2007 include those dealing with the following topics:

- General licensure requirements.
- Definition of terms.
- Medication aides.
- Construction standards.
- Fire safety standards.
- Physical plant requirements.
- Administrative, personnel, and resident care requirements.
- Standards and requirements for ALFs providing services to residents with a physical, cognitive, or other impairment that prevents the individual from safely evacuating the facility with minimal assistance.
- Dietary requirements.
- General sanitation requirements.
- Sanitation requirements for food service.
- Resident rights.

Proposed regulations (largely resulting from 2007 legislation) that directly impact RCFs and ALFs were approved by the state Department of Health and Senior Services's Board of Senior Services on December 20, 2007. The proposed rules include those pertaining to the following areas:

- General licensure requirements.
- Definition of terms.
- Certified medication technician training programs.
- Resident rights and handling resident funds and property in long term care facilities.

Nebraska:

- Added several definitions, including resident and unlicensed direct care staff.
- Removed requirement to submit a copy of the registration as a foreign corporation if the applicant was a foreign corporation.
- Changed the requirement to attach an occupancy certificate issued by the State Fire Marshal or delegated authority dated from within the 12 months prior to the license expiration date to within 18 months prior to the license expiration date.
- Changed the requirement to notify the Department in writing within five working days when an assisted living facility was sold, leased, discontinued, or moved to a new location, to within 10 working days.
- Added reasons to notify the Department in the event of resident death, fire requiring fire department response, or accident or natural disaster resulting in damage to the physical plant and having a direct or immediate adverse effect on the health, safety, and security of the residents.
- Increased initial and renewal licensure fees.
- Clarified requirements pertaining to deemed compliance.

- Clarified that an initial on-site inspection to determine compliance is announced.
- Clarified that compliance inspectors may conduct an unannounced on-site inspection at any time as deemed necessary.
- Clarified reasons for re-inspections.
- Removed obsolete language pertaining to initial administrator training requirements.
- Added criminal background checks for each member of the unlicensed direct care staff.
- Added documentation requirements for decisions to hire unlicensed direct care staff that have adverse findings on certain registry checks.
- Added additional requirements to the content of the resident record.
- Added additional requirements to disaster preparedness plans and procedures.

New Hampshire:

In 2007, New Hampshire went through the process of implementing rules adopted in October 2006 for Assisted Living Residences-Supported Residential Health Care (a level of licensure serving residents who require a certain amount of personal care and health services, but who do not require 24-hour nursing supervision).

The state also made significant changes to the rules that govern Assisted Living Residences-Residential Care (ALR-RC) -- a more social model where medical or nursing care is more limited. It is anticipated that ALR-RC rules will be formally adopted by March 2008. The following are the major areas of changes in the new rule:

- Verifying safety of water systems.
- State monitoring.
- Licensee providing written notice of involuntary change in room or bed locations.
- Performing nursing assessment and nursing care plans if indicated by the Resident Assessment Tool.
- Requiring monthly notes for nursing care plans.
- Written procedures required for obtaining, reordering, and receiving medications for residents.
- Allowing use of pharmaceutical samples.
- Allowing use of prescriptions without new prescription label.
- Written policy for maintaining counts of controlled drugs.
- Allowing personnel who are not licensed practitioners or nurses to assist residents with medication administration.
- Four-hour medication education program required for non-licensed personnel who participate in medication administration or supervision.
- Medication training is transferable.

- Overnight staff in facilities with 16 or fewer residents need not be awake if there is a communication system are in place and a wander guard system is in place if residents with dementia reside in the facility.
- Requiring a criminal record check for applicants for employment and household members over the age of 18.
- Physical examination or health screen and Mantoux TB required.
- Records must be kept for four years
- For respite care, licensee may readmit a resident using admission documentation completed within the previous six months.
- Requirement to document a pattern of refusal of a resident to follow diet and notify practitioner.
- Licensee required to maintain on the premises enough perishable food for three days.
- Requirement for infection control program
- Requirement to notify Department of Health and Human Services (DHHS) if water supply fails to meet acceptable levels.
- Maintain temperature at 65°F at night and 70°F during the day.
- Maintain heating equipment annually or as recommended by the manufacturer.
- Bedroom size.
- Bedrooms must be on the same floor as the bathroom if such need is indicated by the RAT.
- Communication system required so that residents can reach staff in an emergency.
- Carbon Monoxide monitor on every level.
- Written emergency plan
- Specific record keeping and reporting requirements:
    - Notify DHHS prior to changing ownership, physical location, address, name, capacity, or services.
    - Notify DHHS as soon as possible when changing administrator.
    - Notify DHHS within specified time frames of an unusual incident.
    - Notify DHHS within specified time frames of an unanticipated death.
    - Immediately notify local PD, DHHS, and the guardian, if any, of unexplained resident absence after the licensee has searched the building and grounds of the ALR-RC.
    - Must notify resident of consequences of refusing care and services.
    - Licensee must report to DHHS if criminal conviction information becomes known after the person is hired.
    - Must document a pattern of refusal of a resident to follow diet and notify practitioner.
    - Must notify DHHS if water supply fails to meet acceptable levels.

New Jersey:

Regulations that became effective in 2007:

- Added an automatic external defibrillator (AED) requirement. Staff trained in AED use, CPR, the Heimlich maneuver must be on-site on all shifts.
- Added standards for respite care.
- Established an Assisted Living Administrators Panel to advise the Department on training, education, and administrative practice issues for all certified assisted living administrators and those individuals attempting to obtain certification as an assisted living administrator.
- Extended the Certified Assisted Living Administrator licensing period to three years from two.
- Added standards for Alzheimer's/dementia programs.
- Requires a full-time qualified administrator in buildings with 60 or more beds – part-time for those with less than 60 beds.
- Allows certified medication aides to pour liquid prescription medications.
- Established a new resident rights section including pain management, written documentation and explanation of fee increases, and choosing an advanced practice nurse or physician assistant.

New Mexico:

- Included assisted living services in the state's "Mi Via" Medicaid waiver program in which the recipients control the way their Medicaid dollars are spent.

North Carolina:

Legislation passed in 2007:

- Bans smoking in licensed assisted living facilities statewide.
- Bars issuance of a new license for a change of ownership if outstanding penalties have not been paid.
- Requires complaint investigations to be completed within 60 days instead of 30 days.

Ohio:

Residential Care Facility (RCF) licensure rules went through the State of Ohio's five-year rule review process in 2006. The amended rules were effective April 1, 2007. The new rules:

- Added new disclosure requirements for facilities that provide care for special populations of residents with: late-stage cognitive impairment with significant ongoing daily living assistance needs; cognitive impairment with increased emotional needs or presenting behaviors that cause problems for the resident or other residents, or both; or serious mental illness.
    - Disclosure items related to services for these individuals is to include:
        - mission/philosophy ;
        - admission screening criteria;
        - transfer and discharge criteria and procedures;
        - weekly staffing plan showing how staffing for the special population differs from the staffing plan for the remainder of the facility;
        - detailing the necessary increase in supervision of residents with cognitive impairments in the secured unit;
        - a description of activities offered, including frequency and type, and how the activities meet the needs of the type of residents in that special care unit;
        - costs of the services;
        - specialized staff training and continuing education practices;
        - the process used for assessment and the provision of services, including the method for altering services based on changes in condition;
        - how the facility addresses the behavioral healthcare needs of residents;
        - the physical environment and design features to support the functioning of the specialized population;
        - family support programs for residents; and
        - any services or other procedures that are over and above those provided in the remainder of the facility.
- Ohio's RCF rules allow facilties to accept individuals requiring part-time intermittent enteral feedings. This is not new, but was not included in the previous descriptions of scope.
- The rule that allows trained unlicensed staff to assist with self-administration only if the resident is mentally alert and able to participate in the medication process had language added that states that the resident must request such assistance.
- Ohio is also conducting a pilot program for certified medication aides in residential care facilities and nursing homes, and the related RCF rule language has been expanded to allow for this.
- New facilities constructed or converted to use after the effective date of the new rules must have a bathroom for each unit/apartment.
- Rule language has been added that a resident's attending physician must also document the need for placement in Alzheimer's/dementia special care units.

- There are new amendments to staff training requirements that outline specific training on hire and annually related to specialized populations. Activity staff must also receive specialized training related to those with cognitive impairments, behaviors, and/or seriously mentally ill individuals as appropriate.
- Language was added for facilities that provide personal care services that at least one staff member that is trained and capable to provide such services, including having successfully completed first aid training, must be on duty at all times.
- At night, a staff member may be on call if the facility meets certain call signal requirements, but another person must be on call in such circumstances.
- New language specifies clearly that a dietitian as consultant or employee is necessary for facilities that provide and supervise complex therapeutic diets.
- The administrator requirement for those approved through experience increased the amount of experience from 2,000 to 3,000 hours of direct operational responsibility in addition to completion of 100 credit hours of post-high school education in the field of gerontology or health care.
- New language requires enough onsite RN time to manage the provision of skilled nursing care if that care is provided by the facility, excluding medication adminstration, supervision of special diets, or application of dressings.
- New staff training requirements were added for those who provide personal care services to have eight hours of continuing education annually.
- The initial staff training required for providing care for special populations of residents (late-stage cognitive impairment, increased emotional needs or presenting behaviors, or serious mental illness) must be conducted by a qualified instructor for the topic covered.
- The annual staff continuing education requirements may be completed online or by other media provided there is a qualified instructor present to answer questions and to facilitate discussion about the topic at the end of the lesson.

Oklahoma:

Regulations for assisted living were revised in 2007 along with statutory language. The following changes were made:

- Definitions were updated to clarify terminology.
- Requirements for notice and content of notice for involuntary termination of residency were written into the rule.
- Notice requirements and provisions for hearings were provided when a facility seeks to involuntarily terminate residency for reasons other than inappropriate placement.
- A new section was added to address an omission in the rule: facilities must be in compliance with Chapter 257 pertaining to Food Service Establishments in their food storage, preparation, and service.

- Staffing requirements were amended to increase resident supervision.
- New rules specify increased staffing and emergency preparation disclosure and a minimum of two staff members on duty and awake on all shifts if a continuum of care facility or assisted living center has a unit or program designed to prevent or limit resident access to areas outside the designated unit or program. This describes facilities providing services to residents with Alzheimer's disease or related dementias in what are generally described as locked units.
- A new rule explicitly requires the facility to provide not less than the services provided in the resident service contract.
- The rule prohibiting an owner, operator, administrator, or employee from appointment as a guardian or limited guardian of a resident is amended to include prohibiting appointment as power of attorney or durable power of attorney.
- New rules were created to require development, distribution, and posting of facility procedures for receiving resident complaints, including a provision for distributing and posting the Department's complaint procedures.
- The rules for incident reporting were amended to include additional incidents representing a threat to the health and/or safety of residents; requiring the reporting of those incidents to the Department; timelines for reporting; notification of the Nurse Aide Registry for allegations and/or occurrences of resident abuse, neglect, or misappropriation of residents' property by a nurse aide; and content of the incident report.
- A new rule for maintenance of resident records was created. The rule provides for content, confidentiality, protection, retention time frames, and possession in case of closure or ownership change.
- Standards of practice were updated and placed in a new Appendix B.
- The rule for Plans of Correction was expanded to define an acceptable plan of correction, penalties for failure to submit, and provisions for extension, rejection, and right to appeal.
- The notice requirements for voluntary closure were amended to define the content of the notice to residents and provide for a final notice to the Department to include effective date of closure, location of residents, and provision for resident record storage.
- The amended statute allows residents to receive home care, hospice care, and intermittent, periodic, or recurrent nursing care and requires assisted living centers to monitor and assure the delivery of such services. In addition, the statute creates the option of a center's negotiating a "plan of accommodation" through a consensual process with residents who develop a disability or a condition that otherwise might cause them to be discharged under the facility's discharge criteria.

Oregon:

In 2007, new Assisted Living and Residential Care administrative rules were finalized and implemented. While the physical environment sections are distinct to each license type, the general administrative rules are now identical across settings. The new rules include:

- Revised staff training requirements that include:
  - Specified topics that must be competed during orientation before employees begin their jobs.
  - Training requirements, including specified topics. These requirements include the following:
    - Facilities must have a training program that determines performance capability through a demonstration and evaluation process.
    - All caregivers must demonstrate satisfactory performance in any duty they are assigned.
    - All required topics must be demonstrated within the first 30 days of hire.
    - Direct care staff must be directly supervised (meaning visual contact) until they have been signed off on a skill via demonstration and evaluation process.
    - 12 hours of in-service training annually.

- A requirement that any staff member who prepares food (not including those who serve food only) obtain an Oregon Food Handlers card.

Pennsylvania:

Legislation passed in 2007 created a new licensure category. It defines assisted living facilities and creates a separate set of regulations to govern their operation. Once regulations are developed, some facilities are expected to be licensed under the new assisted living criteria while others will remain licensed as Personal Care Homes.

Rhode Island:

- In September 2007, regulations were changed regarding the cost of the licensure. The license is now $330 per residence and $70 per bed.

Texas:

- Effective September 1, 2007, legislation removed language that had prohibited assisted living facilities (ALFs) from contracting with the state Department of Aging and Disability Services (DADS) if they had been licensed by DADS as anything other than an ALF or physically connected to a skilled nursing facility.

- Texas' new waiver program, Integrated Care Management (ICM), which began February 1, 2008 in 13 counties in the Dallas and Tarrant service areas, includes assisted living. Providers must have a contract with the ICM contractor as well as DADS to provide assisted living services to eligible consumers in these counties.

Virginia:

In 2007, Virginia:

- Made changes in emergency plans and equipment rules.
- Added requirements for notification and screening of sex offenders.
- In 2006, began a Medicaid Alzheimer's assisted living waiver (noted here since it was not previously included in 2006 summary).

Wyoming:

- Added new program administration rules for assisted living facilities allowing secure dementia units under a tiered licensing system.
- Added administrator and staff training and background check requirements for secure dementia units.
- Added assessment, and admission and discharge requirements for dementia units.
- Added requirements for dietary oversight when special diets are required.