

**BEFORE THE  
ADMINISTRATIVE RULES COMMITTEE  
OF THE  
NORTH DAKOTA LEGISLATIVE COUNCIL**

<b>N.D. Admin. Code Chapter 75-02-06, Ratesetting for Nursing Facilities, and Chapter 75-02-07.1, Ratesetting for Basic Care Facilities (Pages 189 – 196)</b>	) ) ) ) ) )	<b><u>REPORT OF THE</u> <u>DEPT. OF HUMAN SERVICES</u> <b>December 10, 2009</b></b>
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For its report, the North Dakota Department of Human Services states:

1. The proposed amendments to N.D. Admin. Code chapters 75-02-06 and 75-02-07.1 are the result of 2009 HB 1012 which provided a rate increase for salaries and benefits for employees of nursing facilities and basic care facilities, and provided a per bed limit increase effective July 1, 2009 for renovation and construction of nursing facilities.
2. The proposed amendments to N.D. Admin. Code chapters 75-02-06 and 75-02-07.1 are not related to any federal statute or regulation.
3. The Department of Human Services uses direct and electronic mail as the preferred ways of notifying interested persons of proposed rulemaking. The Department uses a basic mailing list for each rulemaking project that includes the county social service boards, the regional human service centers, Legal Services offices in North Dakota, all persons who have asked to be on the basic list, and internal circulation within the Department. Additionally, the Department constructs relevant mailing lists for specific rulemaking. The Department also places public announcements in all county newspapers advising generally of the content of the rulemaking, of over 50 locations throughout the state where the proposed

rulemaking documents may be reviewed, and stating the location, date, and time of the public hearing.

The Department conducts public hearings on all substantive rule-making. Oral comments are recorded. Oral comments, as well as any written comments that have been received, are summarized and presented to the Department's executive director, together with any response to the comments that may seem appropriate and a re-drafted rule incorporating any changes occasioned by the comments.

4. A public hearing on the proposed rules was held in Bismarck on August 12, 2009. The record was held open until 5:00 p.m. on August 24, 2009 to allow written comments to be submitted. None were received. A summary of comments is attached to this report.
5. The cost of giving public notice, holding a hearing, and the cost (not including staff time) of developing and adopting the rules was \$1,997.04.
6. The rules address appropriations measures passed by the Legislative Assembly in 2009. The following specific changes were made:

Section 75-02-06-03. This section is amended to recognize the increase in the per bed cost limitations for construction and renovation of nursing facilities occurring after July 1, 2009.

Section 75-02-06-16.2. This section is created to provide a one-time salary and benefit increase for employees of nursing facilities, effective July 1, 2009.

Section 75-02-07.1-26. This section is amended to provide a salary and benefit increase for employees of basic care facilities,

effective July 1, 2009.

7. No written requests for regulatory analysis have been filed by the Governor or by any agency. The rule amendments are expected to have an impact on the regulated community in excess of \$50,000. A regulatory analysis was prepared and is attached to this report.
8. A small entity regulatory analysis and small entity economic impact statement were prepared and are attached to this report.
9. A constitutional takings assessment was prepared and is attached to this report.
10. These rules were adopted as emergency (interim final) rules under N.D.C.C. section 28-32-03. The statutory ground for declaring the rules to be an emergency is that they are reasonably necessary to avoid a delay in implementing an appropriations measure. A copy of the Governor's approval of the emergency status of the rules is attached.

Prepared by:

Julie Leer  
Legal Advisory Unit  
North Dakota Department of Human Services  
December 10, 2009





**CHAPTER 75-02-06**  
**RATESETTING FOR NURSING HOME CARE**

**SECTION 1.** Section 75-02-06-03 is amended as follows:

**75-02-06-03. Depreciation.**

1. Ratesetting principles require that payment for services includes depreciation on all capital assets used to provide necessary services.
  - a. Capital assets that may have been fully or partially depreciated on the books of the provider, but are in use at the time the provider enters the program, may be depreciated. The useful lives of such assets are considered not to have ended and depreciation calculated on the revised extended useful life is allowable. To properly provide for costs or the valuation of such assets, an appraisal is required if the provider has no historical cost records or has incomplete records of the capital assets.
  - b. A depreciation allowance is permitted on assets used in a normal standby or emergency capacity.
  - c. If any depreciated personal property asset is sold or disposed of for an amount different than its undepreciated value, the difference represents an incorrect allocation of the cost of the asset to the facility and must be included as a gain or loss on the cost report. The facility shall use the sale price in computing the gain or loss on the disposition of assets.
2. Depreciation methods.
  - a. The straight-line method of depreciation must be used. All accelerated methods of depreciation, including depreciation options made available for income tax purposes, such as those offered under the asset depreciation range system, may not be used. The method and procedure for computing depreciation must be applied on a basis consistent from year to year and detailed schedules of individual assets must be maintained. If the books of account reflect depreciation different than that submitted on the cost report, a reconciliation must be prepared by the facility.
  - b. Except as provided in subdivision c, a provider shall apply the same methodology for determining the useful lives of all assets purchased after June 30, 1995. If a composite useful life methodology is chosen, the provider may not thereafter use the depreciation guidelines without the department's written approval. The provider shall use, at a minimum, the depreciation guidelines to determine the useful life of buildings and land improvements. The provider may use:

- (1) A composite useful life of ten years for all equipment except automobiles and five years for automobiles; or
    - (2) The useful lives for all equipment identified in the depreciation guidelines and a useful life of ten years for all equipment not identified in the depreciation guidelines.
  - c. A provider acquiring assets as an ongoing operation shall use as a basis for determining depreciation:
    - (1) The estimated remaining life, as determined by a qualified appraiser, for land improvements, buildings, and fixed equipment; and
    - (2) A composite remaining useful life for movable equipment, determined from the seller's records.
3. Acquisitions.
  - a. If a depreciable asset has, at the time of its acquisition, a historical cost of at least one thousand dollars, its cost must be capitalized and depreciated over the estimated useful life of the asset. Cost incurred during the construction of an asset, such as architectural, consulting and legal fees, and interest, must be capitalized as a part of the cost of the asset.
  - b. All repair or maintenance costs in excess of five thousand dollars per project on equipment or buildings must be capitalized and depreciated over the remaining useful life of the equipment or building repaired or maintained, or one-half of the original estimated useful life, whichever is greater.
4. Proper records must provide accountability for the fixed assets and provide adequate means by which depreciation can be computed and established as an allowable resident-related cost. Tagging of major equipment items is not mandatory, but alternate records must exist to satisfy audit verification of the existence and location of the assets.
5. Donated assets, excluding assets acquired as an ongoing operation, may be recorded and depreciated based on their fair market value. In the case where the provider's records do not contain the fair market value of the donated asset, as of the date of the donation, an appraisal may be made. The appraisal must be made by a recognized appraisal expert and may be accepted for depreciation purposes. The useful life of a donated asset must be determined in accordance with subsection 2. The facility may elect to forego depreciation on a donated asset thereby negating the need for a fair market value determination.
6. Basis for depreciation of assets acquired as an ongoing operation. Determination of the cost basis of a facility and its depreciable assets of an ongoing operation depends on whether or not the transaction is a bona fide sale. Should the issue arise, the



purchaser has the burden of proving that the transaction was a bona fide sale. Purchases where the buyer and seller are related organizations are not bona fide.

- a. The cost basis of a facility and its depreciable assets acquired in a bona fide sale after July 1, 1985, is limited to the lowest of:
  - (1) Purchase price paid by the purchaser;
  - (2) Fair market value at the time of the sale; or
  - (3) The seller's cost basis, increased by one-half of the increase in the consumer price index for all urban consumers, United States city average, all items, from the date of acquisition by the seller to the date of acquisition by the buyer, less accumulated depreciation recognized for cost reporting purposes.
- b. In a sale not bona fide, the cost basis of an acquired facility and its depreciable assets is the seller's cost basis, less accumulated depreciation recognized for cost reporting purposes as of the end of the report year immediately preceding the date of acquisition by the buyer.
- c. The cost basis of a facility and its depreciable assets acquired by donation or for a nominal amount is the cost basis of the seller or donor, less accumulated depreciation recognized for cost reporting purposes as of the end of the report year immediately preceding the date of acquisition by the buyer or donee.
- d. In order to calculate the increase over the seller's cost basis, an increase may be allowed, under subdivision a, only for assets with a historical cost basis established separately and distinctly in the seller's depreciable asset records.
- e. An adjustment may not subsequently be allowed for any depreciable cost disallowed in rate periods prior to January 1, 2006.
- f. For purposes of this subsection, "date of acquisition" means the date when ownership of the depreciable asset transfers from the transferor to the transferee such that both are bound by the transaction. For purposes of transfers of real property, the date of acquisition is the date of delivery of the instrument transferring ownership. For purposes of titled personal property, the date of acquisition is the date the transferee receives a title acceptable for registration. For purposes of all other capital assets, the date of acquisition is the date the transferee possesses both the asset and an instrument, describing the asset, which conveys the property to the transferee.
- g. For rate years beginning on or after January 1, 2006, the limitations of paragraph 3 of subdivision a shall not apply to

the valuation basis of assets acquired as an ongoing operation between July 1, 1985, and July 1, 2000.

7. A per bed cost limitation based on single and double occupancy must be used to determine the total allowable cost basis of buildings and fixed equipment for a facility with construction, renovation, or remodeling.
  - a. Effective ~~August 1, 2007~~ July 1, 2009, the per bed limitation basis for double occupancy is ~~\$88,872~~ \$112,732 and for a single occupancy is ~~\$133,308~~ \$169,098.
  - b. The per bed limitation basis for single occupancy must be calculated using the limitation determined in subdivision a, multiplied by 1.5.
  - c. The double and single occupancy per bed limitation must be adjusted annually on July first, using the increase, if any, in the consumer price index for all urban consumers, United States city average, all items, for the twelve-month period ending the preceding May thirty-first.
  - d. The per bed limitation in effect at the time a construction, renovation, or remodeling project is put in service must be multiplied times the number of beds in double and single occupancy rooms to establish the maximum allowable cost basis of buildings and fixed equipment.
  - e. The cost basis of a facility's buildings and fixed equipment must be limited to the lower of the recorded cost of total facility buildings and fixed equipment or the per bed limitation.
  - f. The per bed limitation is not applicable to projects started or approved by the state health council before July 1, 1994.
  - g. For rate years beginning after December 31, 2007, the limitations of subdivision a do not apply to the valuation basis of assets acquired as a result of a natural disaster before December 31, 2006. The provisions of this subsection may not be applied retroactively to any rate year before January 1, 2008.

**History:** Effective September 1, 1980; amended effective December 1, 1983; October 1, 1984; September 1, 1987; January 1, 1990; January 1, 1992; November 22, 1993; January 1, 1996; January 1, 1998; July 2, 2003; September 7, 2007; July 1, 2009.

**General Authority:** NDCC 50-24.1-04, 50-24.4-02

**Law Implemented:** NDCC 50-24.4; 42 USC 1396a(a)(13)



**Section 2.** Section 75-02-06-16.2 is created as follows:

**Section 75-02-06-16.2. One-time adjustments for legislatively-approved cost increases.**

1. The department shall increase rates otherwise established by this chapter for supplemental payments or one-time adjustments to historical costs approved by the legislative assembly.
2. Any additional funds made available by the supplemental payments or one-time adjustments must be used for the legislatively-prescribed purpose and are subject to audit. If the department determines that the funds were not used for the appropriate purpose, an adjustment must be made in accordance with 75-02-06-16(5).

**History:** Effective July 1, 2009

**General Authority:** 50-24.1-04; 50-24.4-02

**Law Implemented:** 50-24.4

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**CHAPTER 75-02-07.1**  
**RATESETTING FOR BASIC CARE FACILITIES**

**SECTION 1.** Subsection 3 of section 75-02-07.1-26 is amended as follows:

3. Adjustments for salary and benefit enhancements.
  - a. The department may provide for a salary and benefit enhancement rate. ~~A facility must submit a plan detailing enhancements for employee salary and benefits at least forty-five days prior to the implementation of the enhancement by the facility.~~
  - b. The salary and benefit enhancement rate shall be added to the personal care rate and room and board rates otherwise established under this chapter for the rate years beginning July 1, ~~2001~~ 2009, and July 1, ~~2002~~ 2010. The enhancement rate may not be effective before the implementation date of the enhancement by the facility.
  - c. ~~The salary and benefit enhancement rate may not exceed one dollar and eighty-two cents for the rate year beginning July 1, 2001.~~ For the rate year beginning July 1, ~~2002~~ 2010, the salary and benefit enhancement rate effective July 1, ~~2001~~ 2009, shall be reduced by one-twelfth for each month the costs related to the implementation of the enhancement are included in the cost report used to establish the facility's July 1, ~~2002~~ 2010, rate and then increased by the adjustment factor set forth in section 75-02-07.1-21.
  - d. Any additional funds provided must be used to provide the salary and benefit enhancements ~~outlined in the facility's plan~~ and are subject to audit. If the department determines that the funds were not used for the intended purpose, an adjustment must be made in accordance with section 75-02-07.1-23.

**History:** Effective July 1, 1996; amended effective July 1, 1998; July 1, 2001; July 1, 2009.

**General Authority:** NDCC 50-06-16, 50-24.5-02(3)

**Law Implemented:** NDCC 50-24.5-02(3)







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John Hoeven, Governor  
Carol K. Olson, Executive Director

**SUMMARY OF COMMENTS RECEIVED  
REGARDING PROPOSED AMENDMENTS TO  
N.D. ADMIN. CODE CHAPTERS 75-02-06 AND 75-02-07.1  
REGARDING  
RATESETTING FOR NURSING FACILITIES AND  
RATESETTING FOR BASIC CARE FACILITIES**

The North Dakota Department of Human Services (the Department) held a public hearing on August 12, 2009, in Bismarck, ND, concerning a proposed amendment to N.D. Admin. Code Chapters 75-02-06 - Ratesetting for Nursing Facilities and 75-02-07.1 – Ratesetting for Basic Care Facilities.

Written comments on these proposed amendments could be offered through 5:00 p.m. on August 24, 2009.

No one attended or provided comments at the public hearing. No written comments were received within the comment period.

**SUMMARY OF COMMENTS**

No comments were received.

There will be no change to the proposed amendment as no comments were received.

Prepared by:

A handwritten signature in cursive script that reads "Julie Leer".

Julie Leer, Director  
Legal Advisory Unit  
N.D. Dept. of Human Services

August 25, 2009

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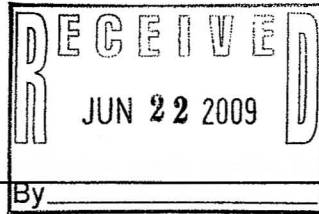
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John Hoeven, Governor  
Carol K. Olson, Executive Director

**TO:** Julie Leer, Director, Legal Advisory Unit  
**FROM:** Barbara Fischer, Assistant Director Budget and Operations, Medical Services  
**SUBJECT:** Regulatory Analysis of Proposed North Dakota Administrative Code chapters 75-02-06 and 75-02-07.1  
**DATE:** June 19, 2009

The purpose of this regulatory analysis is to fulfill the requirements of N.D.C.C. § 28-32-08. This analysis pertains to proposed to North Dakota Administrative Code Chapters 75-02-06 and 75-02-07.1. These amendments are anticipated to have a fiscal impact on the regulated community in excess of \$50,000.

#### Purpose

The purpose of these rules is to include a methodology for inclusion of one-time adjustments to historical costs authorized by the legislature in the rate setting process for nursing facilities and basic care facilities and to increase the per bed limitation for construction and renovation of nursing facilities.

#### Classes of Persons Who Will be Affected

Nursing facility and basic care facility operators and nursing facility and basic care facility residents will be affected by the proposed rule changes since the changes will increase the rates payable for services.

#### Probable Impact

The estimated impact of the changes for the increase in rates for the recognition of projected salary and fringe benefits will affect private pay individuals in nursing facilities by approximately \$12.2 million for the 2009-11 biennium and will affect the Medicaid program by \$18.8 million for the 2009-11 biennium.

#### Probable Cost of Implementation

The amendments become part of existing rules on rate-setting and there are no additional costs associated with implementing the rule changes. It is estimated there will be no effect on state revenues.

#### Consideration of Alternative Methods

No consideration was given to alternative methods as the rate increase for salary and benefit increases and the per bed limitations were included in HB 1012.

1. The first part of the document is a list of the names of the persons who were present at the meeting. The names are listed in alphabetical order.

2. The second part of the document is a list of the topics that were discussed at the meeting. The topics are listed in alphabetical order.

3. The third part of the document is a list of the actions that were taken at the meeting. The actions are listed in alphabetical order.

4. The fourth part of the document is a list of the resolutions that were adopted at the meeting. The resolutions are listed in alphabetical order.

5. The fifth part of the document is a list of the recommendations that were made at the meeting. The recommendations are listed in alphabetical order.

6. The sixth part of the document is a list of the conclusions that were reached at the meeting. The conclusions are listed in alphabetical order.

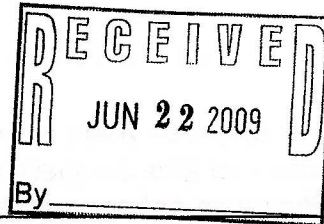
7. The seventh part of the document is a list of the suggestions that were made at the meeting. The suggestions are listed in alphabetical order.

8. The eighth part of the document is a list of the decisions that were made at the meeting. The decisions are listed in alphabetical order.

9. The ninth part of the document is a list of the findings that were made at the meeting. The findings are listed in alphabetical order.

10. The tenth part of the document is a list of the recommendations that were made at the meeting. The recommendations are listed in alphabetical order.





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John Hoeven, Governor  
Carol K. Olson, Executive Director

## MEMORANDUM

**TO:** Julie Leer, Director, Legal Advisory Unit

**FROM:** Barbara Fischer, Assistant Director Budget and Operations,  
Medical Services

**DATE:** June 17, 2009

**SUBJECT:** Small Entity Regulatory Analysis Regarding Proposed  
Amendments to N.D. Admin. Code chapters 75-02-06 and 75-02-07.1

The purpose of this small entity regulatory analysis is to fulfill the requirements of N.D.C.C. § 28-32-08.1. This regulatory analysis pertains to proposed amendments to N.D. Admin. Code chapters 75-02-06 and 75-02-07.1. The proposed rules are not mandated by federal law.

Consistent with public health, safety, and welfare, the Department has considered using regulatory methods that will accomplish the objectives of applicable statutes while minimizing adverse impact on small entities. For this analysis, the Department has considered the following methods for reducing the rules' impact on small entities:

### 1. Establishment of Less Stringent Compliance or Reporting Requirements

*Consider: Was establishment of less stringent compliance or reporting requirements for small entities considered? To what result?*

*The only small entities effected by the proposed amendments are licensed nursing facilities or basic care facilities that are either non-profit organizations or have gross revenues of less than \$2.5 million annually. The proposed amendments effect components of the ratesetting processes for nursing facilities and basic care facilities that are applied to costs reported by the entities. Because all costs must be considered when establishing limits used in the rate setting process, facilities, including facilities that are considered to be small entities, must file a uniform annual cost report. 42 CFR 447.253(f) requires that the Medicaid agency provide for the filing of uniform cost reports by each participating provider. The proposed amendments do not alter the uniform cost reporting requirements necessary to establish the rates for all nursing facilities or*

*basic care facilities in the state that choose to participate in Medicaid and therefore establishment of less stringent compliance or reporting requirements for these small entities was not considered.*

**2. Establishment of Less Stringent Schedules or Deadlines for Compliance or Reporting Requirements for Small Entities**

*The proposed amendments will not alter any required schedules or deadlines for the uniform cost reporting requirements and therefore establishment of less stringent schedules or deadlines for compliance or reporting requirements for these small entities was not considered.*

**3. Consolidation or Simplification of Compliance or Reporting Requirements for Small Entities**

*The proposed amendments will not alter any uniform cost reporting requirements, therefore, consolidation or simplification of compliance or reporting requirements for these small entities was not considered.*

**4. Establishment of Performance Standards for Small Entities to Replace Design or Operational Standards Required in the Proposed Rules**

*The proposed amendments do not effect any design or operational standards in existence for these small entities, therefore, establishment of new performance standards were not considered.*

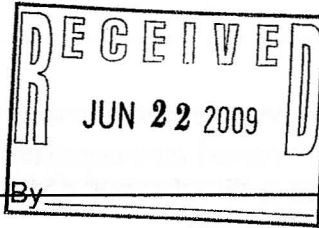
**5. Exemption of Small Entities From All or Any Part of the Requirements Contained in the Proposed Rules**

*The requirements of the proposed amendments are applicable to all nursing facilities and basic care facilities that choose to participate in Medicaid and have a rate established for payment of services. Entities choosing not to participate in Medicaid would not be impacted by the proposed amendments.*





north dakota  
department of  
human services



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John Hoeven, Governor  
Carol K. Olson, Executive Director

**TO:** Julie Leer, Director, Legal Advisory Unit

**FROM:** Barbara Fischer, Assistant Director Budget and Operations, Medical Services 

**DATE:** June 19, 2009

**SUBJECT:** Small Entity Economic Impact Statement Regarding Proposed Amendments to N.D. Admin. Code chapters 75-02-06 and 75-02-07.1

The purpose of this small entity economic impact statement is to fulfill the requirements of N.D.C.C. § 28-32-08.1. This impact statement pertains to proposed amendments to N.D. Admin. Code chapters 75-02-06 and 75-02-07.1. The proposed rules are not mandated by federal law. The proposed rules are not anticipated to have an adverse economic impact on small entities.

1. Small Entities Subject to the Proposed Rules

The small entities that are subject to the proposed amended rules are nursing facilities and basic care facilities that have gross annual revenue less than \$2.5 million or are non-profit organizations and who participate in the Medicaid program. There are no other small entities subject to the proposed amendments.

2. Costs For Compliance

Administrative and other costs required of nursing facilities for compliance with the proposed amendments are expected to be zero. The proposed amendments effect only the rate calculation used to establish the rates payable by individuals in nursing facilities and do not effect compliance requirements.

3. Costs and Benefits

The probable cost to private persons and consumers who are affected by the proposed rule is an estimated additional \$12.2 million for the 09-11 biennium. Private pay residents are subject to rate equalization in nursing facilities participating in Medicaid per NDCC 50-24.4-19, therefore, the increase in rates due to the proposed amendments must also apply to private pay individuals.

We did not determine any probable benefit to private persons and consumers who are affected by the proposed rule because they are subject to rate equalization and the amendments were a direct result of the department's appropriation for nursing facility rates paid by Medicaid.

#### 4. Probable Effect on State Revenue

The probable effect of the proposed rule on state revenues is expected to be none as the proposed amendments effect state expenditures.

#### 5. Alternative Methods

The Department did not consider whether there are any less intrusive or less costly alternative methods of achieving the purpose of the proposed rules. The proposed amendments are necessary to implement the department's appropriation per HB 1012 , therefore, the Department does not have the authority to consider any other alternatives.





John Hoeven, Governor  
Carol K. Olson, Executive Director

## Legal Advisory Unit

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### TAKINGS ASSESSMENT

concerning proposed amendments to  
N.D. Admin. Code chapters 75-02-06 and 75-02-07.1.

This document constitutes the written assessment of the constitutional takings implications of this proposed rulemaking as required by N.D.C.C. § 28-32-09.

1. This proposed rulemaking does not appear to cause a taking of private real property by government action which requires compensation to the owner of that property by the Fifth or Fourteenth Amendment to the Constitution of the United States or N.D. Const. art. I, § 16. This proposed rulemaking does not appear to reduce the value of any real property by more than fifty percent and is thus not a "regulatory taking" as that term is used in N.D.C.C. § 28-32-09. The likelihood that the proposed rules may result in a taking or regulatory taking is nil.

2. The purpose of this proposed rule is clearly and specifically identified in the public notice of proposed rulemaking which is by reference incorporated in this assessment.

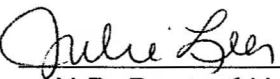
3. The reasons this proposed rule is necessary to substantially advance that purpose are described in the regulatory analysis which is by reference incorporated in this assessment.

4. The potential cost to the government if a court determines that this proposed rulemaking constitutes a taking or regulatory taking cannot be reliably estimated to be greater than \$0. The agency is unable to identify any application of the proposed rulemaking that could conceivably constitute a taking or a regulatory taking. Until an adversely impacted landowner identifies the land allegedly impacted, no basis exists for an estimate of potential compensation costs greater than \$0.

5. There is no fund identified in the agency's current appropriation as a source of payment for any compensation that may be ordered.

6. I certify that the benefits of the proposed rulemaking exceed the estimated compensation costs.

Dated this 19<sup>th</sup> day of June, 2009.

by:   
N.D. Dept. of Human Services

1. The first part of the document discusses the importance of maintaining accurate records of all transactions and activities. It emphasizes the need for transparency and accountability in financial reporting.

2. The second part of the document outlines the various methods used to collect and analyze data. It includes a detailed description of the sampling process and the statistical techniques employed.

3. The third part of the document presents the results of the study. It includes a series of tables and graphs that illustrate the findings of the research.

4. The fourth part of the document discusses the implications of the findings for future research and practice. It highlights the need for further investigation into the issues identified in the study.

5. The fifth part of the document provides a conclusion and a summary of the key findings. It reiterates the importance of the research and the need for continued efforts to improve the quality of financial reporting.

6. The sixth part of the document includes a list of references to the sources used in the study. It provides a comprehensive overview of the literature on the topic.

7. The seventh part of the document contains a list of appendices. These include additional data, tables, and figures that are not included in the main body of the document.

8. The eighth part of the document includes a list of footnotes. These provide additional information and clarification on the findings and methods used in the study.

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10. The tenth part of the document includes a list of contact information for the authors. This allows readers to reach out to the authors for more information or to request copies of the document.

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13. The thirteenth part of the document contains a list of figures. These are the visual representations of the data and findings of the study.

14. The fourteenth part of the document includes a list of tables. These are the organized collections of data and information used in the study.

15. The fifteenth part of the document contains a list of equations. These are the mathematical formulas used to analyze the data and derive the findings.

16. The sixteenth part of the document includes a list of references. These are the sources of information used to support the findings and conclusions of the study.

17. The seventeenth part of the document contains a list of appendices. These are the additional materials that provide further detail and context for the study.

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23. The twenty-third part of the document contains a list of figures. These are the visual representations of the data and findings of the study.

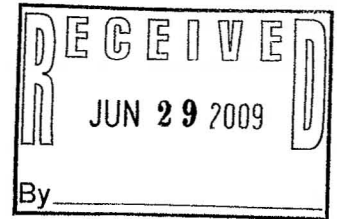
24. The twenty-fourth part of the document includes a list of tables. These are the organized collections of data and information used in the study.

25. The twenty-fifth part of the document contains a list of equations. These are the mathematical formulas used to analyze the data and derive the findings.



— State of —  
**North Dakota**  
*Office of the Governor*

**John Hoeven**  
*Governor*



June 29, 2009

Carol Olson  
Executive Director  
Department of Human Services  
600 East Boulevard Avenue  
Bismarck, ND 58505-0250

Dear Carol,

On June 26, 2009, I received your request for approval of emergency rulemaking to increase Ratesetting for Nursing Facilities and Basic Care Facilities.

I have reviewed the request pursuant to N.D.C.C. § 28-32-03(2) and find that emergency rulemaking is necessary to implement the additional appropriations in House Bill 1012 to increase reimbursement rates for nursing and basic care facilities effective July 1, 2009.

Sincerely,

A handwritten signature in black ink, appearing to be "John Hoeven".

John Hoeven  
Governor

38:34:58



*[Faint, illegible handwritten text, possibly a signature or initials.]*