

Sixty-first  
Legislative Assembly  
of North Dakota

## ENGROSSED HOUSE BILL NO. 1303

Introduced by

Representatives Kreidt, Bellew, Heller, Uglem, Wieland

Senator Dever

1 A BILL for an Act to amend and reenact section 50-24.4-06 of the North Dakota Century Code,  
2 relating to factors considered in determining nursing home rates.

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

4 **SECTION 1. AMENDMENT.** Section 50-24.4-06 of the North Dakota Century Code is  
5 amended and reenacted as follows:

6 **50-24.4-06. Rate determination.**

- 7 1. The department shall determine prospective payment rates for resident care costs.  
8 The department shall develop procedures for determining operating cost payment  
9 rates that take into account the mix of resident needs and other factors as  
10 determined by the department.
- 11 2. The department shall establish, by rule, limitations on compensation recognized in  
12 the historical base for top management personnel. Compensation for top  
13 management personnel must be categorized as a general and administrative cost  
14 and is subject to any limits imposed on that cost category.
- 15 3. For purposes of determining rates, allowable bad debt expenses may not exceed  
16 one hundred eighty days per year of resident care for any one individual.
- 17 4. The allowable bad debt expense must be allocated back to the appropriate cost  
18 category from which the expense was incurred.