

Sixty-first
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1433

Introduced by

Representatives S. Meyer, N. Johnson, Schatz, Wald

Senators Nodland, Wardner

1 A BILL for an Act to amend and reenact section 50-24.4-16 of the North Dakota Century Code,
2 relating to nursing home rates; to provide an appropriation; to provide legislative intent; and to
3 declare an emergency.

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

5 **SECTION 1. AMENDMENT.** Section 50-24.4-16 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **50-24.4-16. Special rates.**

- 8 1. For nursing homes with a significant capacity increase and for newly constructed
9 nursing homes, which first provide services on or after July 1, 1988, and which are
10 not included in the calculation of the limits of any cost category, the department
11 shall establish procedures for determining interim operating cost payment rates.
12 The interim payment rate may not be in effect for more than eighteen months. The
13 department shall establish procedures for determining the interim rate and for
14 making a retroactive cost settle-up for periods when an interim rate was in effect.
- 15 2. As soon as is practicable following the establishment of the procedures required by
16 subsection 1, the department shall apply the special rates for all affected facilities.
- 17 3. Notwithstanding section 50-24.4-19, the department shall provide for a special
18 care rate to be paid to a nursing home that is owned and operated by a nonstate
19 governmental unit.
- 20 a. To qualify for a special care rate, a nursing home shall document that the
21 nursing home's allowable costs are in excess of the standard nursing home
22 rates that are otherwise established in accordance with this chapter and shall
23 demonstrate to the department's satisfaction that access to nursing home
24 services may be jeopardized if additional reimbursement is not provided.

1 b. The special care rate established in accordance with this subsection may not
2 exceed the lesser of the difference between the nursing home's costs per
3 medical assistance day of care and the standard medical assistance nursing
4 home per diem rates established in accordance with this chapter or the
5 medical assistance upper payment limit established in accordance with
6 federal regulations.

7 c. For a new nursing home, the department shall establish an interim special
8 care rate that must be in effect for no fewer than ten months and no more
9 than eighteen months. Costs for the period in which the interim special care
10 rate is in effect must be used to establish a final special care rate.

11 **SECTION 2. APPROPRIATION.** There is appropriated from special funds derived
12 from federal and other funds, the sum of \$337,114, or so much of the sum as may be
13 necessary, to the department of human services for the purpose of funding a special care rate
14 for qualifying nursing homes, for the biennium beginning July 1, 2009, and ending June 30,
15 2011.

16 **SECTION 3. LEGISLATIVE INTENT.** It is the intent of the legislative assembly that
17 before a political subdivision may provide local matching funding for the special care rate for
18 qualifying nursing homes, the governing body of the political subdivision shall submit the
19 question for approval of the funding from the general fund of the political subdivision to the
20 qualified electors of the political subdivision.

21 **SECTION 4. EMERGENCY.** This Act is declared to be an emergency measure.