

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1012

That the Senate recede from its amendments as printed on pages 1470-1477 of the House Journal and pages 1317-1323 and pages 1337 and 1338 of the Senate Journal and that Engrossed House Bill No. 1012 be amended as follows:

Page 1, line 2, after the first semicolon insert "to provide a contingent appropriation;"

Page 1, line 3, replace the first "and" with "to create and enact a new subsection to section 50-25.1-05 of the North Dakota Century Code, relating to the adoption of rules regarding the recording of interviews in child abuse or neglect cases;", after "25-04-05" insert ", 50-24.1-02.6", and after "50-24.5-04" insert ", 50-29-04"

Page 1, line 5, after "facilities" insert ", eligibility under the state children's health insurance program" and after "fund" insert "; and to repeal section 4 of chapter 422 of the 2007 Session Laws, relating to the effective date of the expansion of medical assistance benefits"

Page 1, line 17, replace "2,148,542" with "2,520,060" and replace "13,660,900" with "14,032,418"

Page 1, line 18, replace "(13,582,286)" with "(13,567,566)" and replace "46,528,070" with "46,542,790"

Page 1, line 20, replace "(\$11,434,02911)" with "(\$11,047,791)" and replace "60,188,970" with "60,575,208"

Page 1, line 21, replace "(16,622,573)" with "(16,290,983)" and replace "34,041,261" with "34,372,851"

Page 1, line 22, replace "5,188,544" with "5,243,192" and replace "26,147,709" with "26,202,357"

Page 2, line 3, replace "18,552,432" with "16,090,648" and replace "43,963,473" with "41,501,689"

Page 2, line 4, replace "4,364,279" with "4,966,224" and replace "72,176,081" with "72,778,026"

Page 2, line 6, replace "111,111,588" with "111,831,588" and replace "455,130,804" with "455,850,804"

Page 2, line 7, replace "189,244,935" with "154,082,672" and replace "1,306,432,756" with "1,271,270,493"

Page 2, line 10, replace "310,797,543" with "274,495,441" and replace "1,877,716,114" with "1,841,414,012"

Page 2, line 11, replace "223,418,640" with "233,105,383" and replace "1,350,082,207" with "1,359,768,950"

Page 2, line 12, replace "87,378,903" with "41,390,058" and replace "527,633,907" with "481,645,062"

Page 2, line 17, replace "715,235" with "958,104" and replace "8,209,132" with "8,452,001"

Page 2, line 18, replace "2,135,169" with "2,425,414" and replace "18,917,773" with "19,208,018"

Page 2, line 19, replace "823,712" with "1,080,022" and replace "10,641,067" with "10,897,377"

Page 2, line 20, replace "3,509,556" with "3,661,082" and replace "25,616,905" with "25,768,431"

Page 2, line 21, replace "3,699,225" with "4,086,258" and replace "29,760,855" with "30,147,888"

Page 2, line 22, replace "573,509" with "883,684" and replace "15,257,320" with "15,567,495"

Page 2, line 23, replace "3,675,196" with "4,003,786" and replace "24,362,468" with "24,691,058"

Page 2, line 24, replace "964,207" with "1,058,549" and replace "10,762,996" with "10,857,338"

Page 2, line 25, replace "9,519,982" with "11,226,902" and replace "66,911,926" with "68,618,846"

Page 2, line 26, replace "6,195,786" with "7,019,985" and replace "52,989,719" with "53,813,918"

Page 2, line 27, replace "31,811,577" with "36,403,786" and replace "263,430,161" with "268,022,370"

Page 2, line 28, replace "12,094,114" with "15,503,656" and replace "124,851,343" with "128,260,885"

Page 2, line 29, replace "19,717,463" with "20,900,130" and replace "138,578,818" with "139,761,485"

Page 3, line 3, replace "112,284,910" with "67,533,380" and replace "692,360,434" with "647,608,904"

Page 3, line 4, replace "218,890,181" with "325,207,261" and replace "1,508,974,811" with "1,615,291,891"

Page 3, line 5, replace "331,175,091" with "392,740,641" and replace "2,201,335,245" with "2,262,900,795"

Page 3, after line 6, insert:

**"SECTION 2. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS - ADDITIONAL FUNDING APPROVAL.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated from federal funds made available to the state under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, to the department of human services for the period beginning with the effective date of this Act and ending June 30, 2011, as follows:

Federal medical assistance percentage	\$66,500,000
Elderly nutrition services	485,000

Child support incentive matching funds	3,200,000
Rehabilitation services and disability assistance and independent living	2,043,000
Individuals With Disabilities Education Act - Part C	2,140,000
Supplemental nutrition assistance program benefits and administration	9,874,747
Senior employment program	143,288
Older blind	3,170
Total federal funds	\$84,389,205

The department of human services may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts appropriated in this section for the period beginning with the effective date of this Act and ending June 30, 2011.

Any federal funds appropriated under this section, except for the funding of \$66,500,000 relating to the federal medical assistance percentage and funding of \$2,763,082 of child support incentive matching funds, are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available.

**SECTION 3. GENERAL FUND TRANSFER TO BUDGET STABILIZATION FUND - EXCEPTION - USE OF GENERAL FUND AMOUNTS.** Notwithstanding section 54-27.2-02, the state treasurer and the office of management and budget may not include in the amount used to determine general fund transfers to the budget stabilization fund at the end of the 2007-09 biennium under chapter 54-27.2 any general fund amounts resulting from the increased federal share of medical assistance payments resulting from federal medical assistance percentage changes under the federal American Recovery and Reinvestment Act of 2009. The state treasurer and the office of management and budget shall separately account for these amounts and 2009-11 biennium general fund amounts resulting from federal medical assistance percentage changes under the federal American Recovery and Reinvestment Act of 2009 and use these amounts to defray the expenses of continuing program costs of the department of human services from the general fund for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

Inflationary increases for human service providers	\$32,564,450
Rate increases for selected medicaid services due to rebasing	21,788,982
Rate increases for nursing homes due to property limit changes	3,000,000
Wage increases for employees of nursing homes, basic care, and developmental disabilities services providers and qualified service providers	15,867,327
Salary increases for department of human services employees	18,949,591
Total	\$92,170,350

**SECTION 4. BANK OF NORTH DAKOTA LOAN AUTHORIZATION - BUDGET SECTION APPROVAL - CONTINGENT APPROPRIATION.** If the caseload/utilization of medical services, long-term care, and developmental disabilities services is more than anticipated by the sixty-first legislative assembly, the department of human services, subject to budget section approval, may borrow the sum of \$8,500,000, or so much of the sum as may be necessary, from the Bank of North Dakota, which is appropriated for the purpose of providing the state matching share of additional medical assistance grants for medical services, long-term care, and developmental disabilities services, for the biennium beginning July 1, 2009, and ending June 30, 2011. The department of human services shall request funding from the sixty-second legislative assembly to repay any loan obtained pursuant to provisions of this section, including accrued interest.

**SECTION 5. 2009-11 SPENDING LEVEL - AUTHORIZATION.** If department of human services expenditures exceed funding levels, including loan proceeds appropriated in section 4 of this Act, approved by the sixty-first legislative assembly during the 2009-11 biennium due to caseload/utilization of programs exceeding the level anticipated by the legislative assembly, the department may continue to spend at the increased level and may seek a deficiency appropriation from the sixty-second legislative assembly."

Page 3, after line 18, insert:

"Supplemental payment - Critical access hospitals	0	400,000"
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Page 3, line 19, replace "2,793,692" with "3,443,692"

Page 3, line 21, replace "3,146,298" with "4,196,298"

Page 4, line 5, replace "\$4,324,506" with "\$4,124,506"

Page 4, remove lines 22 through 29

Page 5, line 1, replace "\$4,950,451" with "\$5,150,451"

Page 5, line 2, replace "\$1,000,000" with "\$800,000"

Page 5, line 4, replace "each employee earning a salary that is less than the eightieth" with "employees beginning July 1, 2009. Basic care and skilled nursing care facilities may not use the money received under this section for providing salary and benefit enhancements to administrators or directors of nursing."

Page 5, remove lines 5 and 6

Page 5, line 9, replace "\$18,929,151" with "\$21,639,106" and replace "\$7,000,000" with "\$7,086,807"

Page 5, line 10, replace "\$11,929,151" with "\$14,552,299"

Page 5, line 11, replace "each employee earning a" with "employees beginning July 1, 2009. Developmental disabilities service providers may not use the money received under this section for providing salary and benefit enhancements to administrators."

Page 5, replace lines 12 and 13 with:

**"SECTION 13. LEGISLATIVE INTENT - MEDICAID PROVIDER PAYMENTS.**

It is the intent of the legislative assembly that the department of human services establish a goal to set medicaid payments for hospitals, physicians, chiropractors, and ambulances at 100 percent of cost.

**SECTION 14. SUPPLEMENTAL PAYMENT - CRITICAL ACCESS**

**HOSPITALS.** The grants - medical assistance line item in subdivision 2 of section 1 of this Act includes the sum of \$400,000 of one-time funding from the general fund that the department of human services shall use for providing a supplemental payment to eligible critical access hospitals. A critical access hospital is eligible for a payment under this section only if its percentage of medical payments exceeds 25 percent of its total annual revenue in its most recent audited financial statements and is located in a city with a population that does not exceed 1,450. The department shall seek federal

medicaid funding to provide a portion of the \$400,000 supplemental payment. If federal medicaid funding is not available for a portion of the payment, the department may spend the \$400,000 from the general fund for making the supplemental payment only if the action will not result in a reduction in federal medicaid funding to the state.

**SECTION 15. LEGISLATIVE INTENT - DEMENTIA CARE SERVICES.** It is the intent of the sixty-first legislative assembly that the department of human services integrate the dementia care services program established in House Bill No. 1043, as approved by the sixty-first legislative assembly, with the home and community-based care services programs of the department.

**SECTION 16. LEGISLATIVE COUNCIL STUDY - TRAUMATIC BRAIN INJURY.** During the 2009-11 interim, the legislative council shall consider studying the impact of individuals with traumatic brain injury, including veterans who are returning from wars, on the state's human services system. The study must include an analysis of the estimated cost of providing human service-related services to the individuals with traumatic brain injury. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.

**SECTION 17. LEGISLATIVE INTENT - CHILDREN'S HEALTH INSURANCE PROGRAM OUTREACH.** It is the intent of the sixty-first legislative assembly that the department of human services award a contract for outreach services for the state children's health insurance program to an entity other than an insurance company, for the biennium beginning July 1, 2009, and ending June 30, 2011.

**SECTION 18. UNSPENT 2007-09 BIENNIUM GENERAL FUND APPROPRIATIONS - EXCEPTION.** The amount of \$270,000 of the \$3,100,000 for a sexual offender treatment addition at the state hospital appropriated in subdivision 3 of section 3 of 2007 Senate Bill No. 2012 is not subject to section 54-44.1-11 and may be spent during the 2009-11 biennium for completing roof repairs at the state hospital."

Page 7, after line 21, insert:

**"SECTION 20. AMENDMENT.** Section 50-24.1-02.6 of the North Dakota Century Code is amended and reenacted as follows:

**50-24.1-02.6. (~~Contingent effective date—See note~~) Medical assistance benefits—~~Eligibility criteria:~~**

- ~~1. The department shall provide medical assistance benefits to otherwise eligible persons who are:~~
  - ~~a. Medically needy persons who have countable income that does not exceed an amount determined under subsection 2; and~~
  - ~~b. Minors who have countable income that does not exceed an amount determined under subsection 3.~~
- ~~2. The department of human services shall establish an income level for medically needy persons at an amount, no less than required by federal law, that, consistent with the requirements of subsection 3, is the greatest income level achievable without exceeding legislative appropriations for that purpose.~~
- ~~3. The department of human services shall establish income levels for minors, based on the age of the minors, at amounts, no less than required by federal law, that provide an income level for all minors born before~~

~~September 30, 1983, equal to one hundred percent of the federal poverty level in the month for which eligibility for medical assistance benefits is being determined and that do not exceed legislative appropriations for that purpose.~~

- ~~4. The department of human services shall provide medical assistance benefits to children and families coverage groups and pregnant women without consideration of assets.~~

**(Contingent effective date— See note) Medical assistance benefits - Eligibility criteria.**

1. The department shall provide medical assistance benefits to otherwise eligible persons who are:
  - a. Medically needy persons who have countable income that does not exceed an amount determined under subsection 2; and
  - b. Minors who have countable income that does not exceed an amount determined under subsection 3.
2. The department of human services shall establish an income level for medically needy persons at an amount, no less than required by federal law, that, consistent with the requirements of subsection 3, is the greatest income level achievable without exceeding legislative appropriations for that purpose.
3. The department of human services shall establish income levels for minors, based on the age of the minors, at amounts, no less than required by federal law, ~~that provide an income level for all individuals from birth through age eighteen equal to one hundred thirty three percent of the federal poverty level in the month for which eligibility for medical assistance benefits is being determined.~~
4. The department of human services shall provide medical assistance benefits to children and families coverage groups and pregnant women without consideration of assets."

Page 7, after line 29, insert:

**"SECTION 22.** A new subsection to section 50-25.1-05 of the North Dakota Century Code is created and enacted as follows:

The department shall adopt rules that require all interviews of the alleged abused or neglected child conducted under this section to be audio-recorded or video-recorded, when possible. The rules must provide that a recording may not be disclosed except in accordance with section 50-25.1-11.

**SECTION 23. AMENDMENT.** Section 50-29-04 of the North Dakota Century Code is amended and reenacted as follows:

**50-29-04. Plan requirements.** The plan:

1. Must be provided through private contracts with insurance carriers;
2. Must allow conversion to another health insurance policy;
3. Must be based on an actuarial equivalent of a benchmark plan;

4. Must incorporate every state-required waiver approved by the federal government;
5. Must include community-based eligibility outreach services; and
6. Must provide:
  - a. A net income eligibility limit of one hundred ~~fifty~~ sixty percent of the poverty line;
  - b. A copayment requirement for each pharmaceutical prescription and for each emergency room visit;
  - c. A deductible for each inpatient hospital visit;
  - d. Coverage for:
    - (1) Inpatient hospital, medical, and surgical services;
    - (2) Outpatient hospital and medical services;
    - (3) Psychiatric and substance abuse services;
    - (4) Prescription medications;
    - (5) Preventive screening services;
    - (6) Preventive dental and vision services; and
    - (7) Prenatal services; and
  - e. A coverage effective date that is the first day of the month, following the date of application and determination of eligibility."

Page 8, after line 21, insert:

**"SECTION 25. REPEAL.** Section 4 of chapter 422 of the 2007 Session Laws is repealed.

**SECTION 26. EMERGENCY.** Sections 2 and 18 of this Act are declared to be an emergency measure."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT - LC 98013.0218 FN 1**

**A copy of the statement of purpose of amendment is attached.**