

Sixty-first
Legislative Assembly
of North Dakota

Introduced by

Appropriations Committee

(At the request of the Governor)

1 A BILL for an Act to provide an appropriation for defraying the expenses of the department of
2 human services; to amend and reenact sections 50-06-29, 50-24.1-02.3, and 50-29-04 of the
3 North Dakota Century Code, relating to the establishment of an aging and disability resource
4 center, the exempt amount of designated pre-need funeral service contracts in considering
5 eligibility for medical assistance, and eligibility under the state children's health insurance
6 program.

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

8 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the
9 funds as may be necessary, are appropriated out of any moneys in the general fund in the state
10 treasury, not otherwise appropriated, and from special funds derived from federal funds and
11 other income, to the department of human services for the purpose of defraying the expenses
12 of its various divisions for the biennium beginning July 1, 2009, and ending June 30, 2011.

13 Subdivision 1.

	MANAGEMENT		
		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
17 Salaries and wages	\$11,512,358	\$7,790,774	\$19,303,132
18 Operating expenses	60,110,356	(13,570,832)	46,539,524
19 Capital assets	<u>185</u>	<u>(285)</u>	<u>0</u>
20 Total all funds	\$71,622,999	\$(5,780,343)	\$65,842,656
21 Less estimated income	<u>50,663,834</u>	<u>(14,635,996)</u>	<u>36,027,838</u>
22 Total general fund	\$20,959,165	\$8,855,653	\$36,027,838

23 Subdivision 2.

24 PROGRAM AND POLICY

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		Adjustments or		
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>	
1				
2				
3	Salaries and wages	\$25,411,041	\$19,253,918	\$44,664,959
4	Operating expenses	67,811,802	5,439,280	73,251,082
5	Capital assets	399	12,601	13,000
6	Grants	344,019,216	112,946,092	456,965,308
7	Grants - Medical assistance	1,117,187,821	227,633,993	1,344,821,814
8	State admin child support	<u>12,488,292</u>	<u>(12,488,292)</u>	<u>0</u>
9	Total all funds	\$1,566,918,571	\$352,797,592	\$1,919,716,163
10	Less estimated income	<u>1,126,663,567</u>	<u>248,526,112</u>	<u>1,375,189,679</u>
11	Total general fund	\$440,255,004	\$104,271,480	&544,526,484

12 Subdivision 3.

13 HUMAN SERVICE CENTERS AND INSTITUTIONS

		Adjustments or		
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>	
14				
15				
16	North West	\$7,493,897	\$1,068,230	\$8,562,127
17	North Central	16,782,604	4,141,195	20,923,799
18	Lake Region	9,817,355	1,193,754	11,011,109
19	North East	22,107,349	4,269,502	26,376,851
20	South East	26,061,630	5,959,334	32,020,964
21	South Central	14,683,811	1,229,521	15,913,332
22	West Central	20,687,272	5,321,661	26,008,933
23	Badlands	9,798,789	1,895,446	11,694,235
24	State Hospital	57,391,944	12,609,583	70,001,527
25	Developmental	<u>46,793,933</u>	<u>7,221,332</u>	<u>54,015,265</u>
26	Total all funds	\$231,618,584	\$44,909,558	\$276,528,142
27	Less estimated income	<u>112,757,229</u>	<u>16,599,670</u>	<u>129,356,899</u>
28	Total general fund	\$118,861,355	\$28,309,888	\$147,171,242

29 Subdivision 4.

30 BILL TOTAL

31 Adjustments or

	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>	
1				
2	Grand total general fund	\$580,075,524	\$141,437,021	\$721,512,545
3	Grand total special funds	<u>1,290,084,630</u>	<u>250,489,786</u>	<u>\$1,540,574,416</u>
4	Grand total all funds	\$1,870,160,154	\$391,926,807	\$2,262,086,961
5	Full-time equivalent positions	2223.38	14.00	2237.38

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO

SIXTY-SECOND LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixtieth legislative assembly for the 2007-09 biennium and the 2009-11 one-time funding items included in the appropriation in section 1 of this Act:

	<u>One-time Funding Description</u>	<u>2007-09</u>	<u>2009-11</u>
11	Medicaid management information system (MMIS)	\$3,643,133	\$0
12	State Hospital - Sex offender treatment addition project	3,100,000	0
13	State Hospital - Capital improvements	3,062,757	0
14	State Hospital - Extraordinary repairs	1,153,500	0
15	Developmental center - Capital improvements	300,000	0
16	Developmental center - Extraordinary repairs	547,092	0
17	Developmental center - Equipment	80,782,000	
18	Extraordinary repairs	0	3,943,692
19	Equipment over \$5,000	<u>0</u>	<u>352,606</u>
20	Total general fund	\$11,887,264	\$4,296,298

SECTION 3. FUNDING TRANSFERS - EXCEPTION - AUTHORIZATION.

Notwithstanding section 54-16-04, the department of human services may transfer appropriation authority between line items within each subdivision of section 1 of this Act and between subdivisions within section 1 of this Act for the biennium beginning July 1, 2009, and ending June 30, 2011. The department shall notify the office of management and budget of any transfer made pursuant to this section. The department shall report to the budget section after June 30, 2010, any transfers made in excess of \$50,000 and to the appropriations committees of the sixty-second legislative assembly regarding any transfers made pursuant to this section.

SECTION 4. ESTIMATED INCOME - LIMIT - HEALTH CARE TRUST FUND. The

estimated income line item in subdivision 2 of section 1 of this Act includes \$3,000,000 from the

1 health care trust fund for nursing facilities. The department of human services expenditures
2 from this fund may not exceed this amount for the biennium beginning July 1, 2009, and ending
3 June 30, 2011.

4 **SECTION 5. AMENDMENT.** Section 50-06-29 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **50-06-29. ~~Application for aging~~ Aging and disability resource center funding.** ~~No~~
7 ~~later than December 31, 2007, the~~ The department of human services shall ~~seek federal funds~~
8 ~~for the planning plan and implementation~~ implement of an aging and disability resource center
9 for the state. The resource center will be a single point of information program at the
10 community level which will help people make informed decisions about the full range of
11 long-term care service and support options, including both institutional and home and
12 community-based care, and which will provide unbiased information and assistance to
13 individuals needing either public or private resources, to professionals seeking assistance on
14 behalf of their clients, and to individuals planning for their future long-term care needs. ~~Upon~~
15 ~~receipt of federal funds, the~~ The department of human services may establish the aging and
16 disability resource center or it may request bids and award a contract for the provision of this
17 service. The duties of the aging and disability resource center must include all duties required
18 ~~to receive federal funds, including~~ by the 2006 amendments to the Older Americans Act [Pub.
19 L. 109-365; 120 Stat. 2522; 42 U.S.C. 3001 et seq.], providing information about the full range
20 of long-term care service and support options available in the state to assure that consumers
21 may make informed decisions about their care. The resource center must be free from a
22 conflict of interest which would inappropriately influence or bias the actions of a contractor, staff
23 member, board member, or volunteer of the resource center to limit the information given to a
24 consumer to steer the consumer to services that may also be provided by the resource center.

25 **SECTION 6. AMENDMENT.** Section 50-24.1-02.3 of the North Dakota Century Code
26 is amended and reenacted as follows:

27 **50-24.1-02.3. When designated pre-need funeral service contracts, prepayments,**
28 **or deposits not to be considered in eligibility determination.** In determining eligibility for
29 medical assistance, the department of human services may not consider as an available
30 resource any pre-need funeral service contracts, prepayments, or deposits to a fund which total
31 ~~five~~ seven thousand dollars or less designated by the applicant or recipient as set-aside to pay

1 for the applicant's or recipient's funeral. An applicant or recipient designates a prepayment or
2 deposit for that applicant's or recipient's burial by providing funds that are to be used for the
3 funeral or burial expenses of the applicant or recipient. In addition, the applicant or recipient
4 may designate all or a portion of the three thousand dollar asset limitation for funeral pre-need
5 contracts, prepayments, or deposits. Interest or earnings retained in a funeral fund also may
6 not be considered as an available resource. A pre-need funeral service contract, prepayment,
7 or deposit designated under this section is not a multiple-party account for purposes of chapter
8 30.1-31. No claim for payment of funeral expenses may be made against the estate of a
9 deceased medical assistance recipient except to the extent that funds maintained in
10 accordance with this section total less than ~~five~~ seven thousand dollars.

11 **SECTION 7. AMENDMENT.** Section 50-29-04 of the North Dakota Century Code is
12 amended and reenacted as follows:

13 **50-29-04. Plan requirements.** The plan:

- 14 1. Must be provided through private contracts with insurance carriers;
- 15 2. Must allow conversion to another health insurance policy;
- 16 3. Must be based on an actuarial equivalent of a benchmark plan;
- 17 4. Must incorporate every state-required waiver approved by the federal government;
- 18 5. Must include community-based eligibility outreach services; and
- 19 6. Must provide:
 - 20 a. A net income eligibility limit of ~~one~~ two hundred ~~fifty~~ percent of the poverty
 - 21 line;
 - 22 b. A copayment requirement for each pharmaceutical prescription and for each
 - 23 emergency room visit;
 - 24 c. A deductible for each inpatient hospital visit;
 - 25 d. Coverage for:
 - 26 (1) Inpatient hospital, medical, and surgical services;
 - 27 (2) Outpatient hospital and medical services;
 - 28 (3) Psychiatric and substance abuse services;
 - 29 (4) Prescription medications;
 - 30 (5) Preventive screening services;
 - 31 (6) Preventive dental and vision services; and

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- 1 (7) Prenatal services; and
- 2 e. A coverage effective date that is the first day of the month, following the date
- 3 of application and determination of eligibility.