

**Health Services Committee**  
**April 12, 2012**  
**Testimony by the North Dakota Long Term Care Association**

Good afternoon Chairman Lee and members of the Health Services Committee. I am unable to be in attendance at today's hearing and wish to submit written comments for your consideration. We wish to comment on the nursing facility and basic care moratorium and the current long term care bed recommendations/goals of the State Health Council. North Dakota Long Term Care Association represents assisted living, basic care and nursing facilities. Our legislative Committee and NDLTCA Board met in March and viewed this issue.

We continue to believe North Dakota has an abundant supply of nursing facility and basic care beds and the moratorium should continue. Today, spread throughout North Dakota we have over 500 open nursing facility beds. In the most current cost reporting period (June 30, 2011) twenty-four (24) nursing facilities had an average occupancy under 90%, losing \$3,817,880 in penalty costs. Basic care occupancy has averaged 85% for numerous years and today there are 255 open beds.

The demand for nursing facility beds has fallen dramatically in the past five years. There is some demand for basic care beds and today approximately five communities are interested in securing more basic care beds.

**Re-Distribution of Beds**

A proven method to re-distribute beds from low demand areas to high demand areas is the "buying and selling of beds." In 2012, two basic care facilities have announced bed sales. Towner County Living Center in Cando sold three beds and Holy Family Villa in Carrington is in the process of selling five basic care beds.

Under legislation you passed in 2011, nursing facilities can sell their beds either as a nursing facility bed or basic care bed. I anticipate additional bed sales this year, most likely from nursing facilities, so they can minimize the penalty of being under 90% occupied.

We believe the five communities desiring to secure more basic care beds will be able to achieve that goal through nursing facilities wishing to sell additional beds later this year.

### **Beds Per 1,000 Recommendation**

We believe the current State Health Council Recommendation for basic care should continue. The current recommendation is that statewide bed capacity for basic care should not exceed fifteen beds per 1,000 population aged 65 and older. Since the state has not yet attained that goal, it should be retained.

We believe the current State Health Council recommendation for nursing facilities could be changed. North Dakota has achieved the goal of 60 nursing facility beds per 1,000 population aged 65 and above. Currently the nursing facility beds per 1,000 elderly sits at 57.10 nursing facility beds. We support setting another goal that reflects the current trend.

Thank you for the opportunity to submit written comments on this important public policy. If there are any follow-up questions you would like me to address, please don't hesitate to contact me.

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