

HOUSE BILL NO. 1012

Introduced by

Appropriations Committee

(At the request of the Governor)

1 A BILL for an Act providing an appropriation for defraying the expenses of the department of
2 human services; to provide for intermediate care facility construction review and personal needs
3 allowances; to amend and reenact subsection 6 of section 50-24.7-01 of the North Dakota
4 Century Code, relating to definitions for expanded service payments for elderly and disabled; to
5 provide an exemption; and to provide a statement of legislative intent.

6 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

7 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
8 as may be necessary, are appropriated out of any moneys in the general fund in the state
9 treasury, not otherwise appropriated, and from special funds derived from federal funds and
10 other income, to the department of human services for the purpose of defraying the expenses of
11 its various divisions, for the biennium beginning July 1, 2013, and ending June 30, 2015, as
12 follows:

Subdivision 1.

MANAGEMENT

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
17 Salaries and wages	\$15,382,133	\$35,720,081	\$51,102,214
18 Operating expenses	62,229,003	10,514,822	72,743,825
19 Capital assets	138,400	77,760	216,160
20 Total all funds	\$77,749,536	\$46,312,663	\$124,062,199
21 Less estimated income	46,573,712	14,899,735	61,473,447
22 Total general fund	\$31,175,824	\$13,412,928	\$62,588,752
23 <u>Salaries and wages</u>	<u>\$15,382,133</u>	<u>\$18,911,770</u>	<u>\$34,293,903</u>
24 <u>Operating expenses</u>	<u>62,229,003</u>	<u>4,968,982</u>	<u>67,197,985</u>

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1	Capital assets	138,400	(126,400)	12,000
2	Total all funds	\$77,749,536	\$23,754,352	\$101,503,888
3	Less estimated income	46,573,712	10,360,100	56,933,812
4	Total general fund	\$31,175,824	\$13,394,252	\$44,570,076

Subdivision 2.

PROGRAM AND POLICY

		Adjustments or		
	Base Level	Enhancements	Appropriation	
9	Salaries and wages	\$50,207,605	(\$1,365,487)	\$48,842,118
10	Operating expenses	91,973,280	14,569,900	106,543,180
11	Grants	490,196,862	(36,422,732)	453,774,130
12	Grants - Medical assistance	1,601,650,984	153,473,696	1,755,124,680
13	Total all funds	\$2,234,028,731	\$130,255,377	\$2,364,284,108
14	Less estimated income	1,497,456,325	(67,807,902)	1,429,648,423
15	Total general fund	\$736,572,406	\$198,063,279	\$934,635,685
16	Salaries and wages	\$50,207,605	(\$1,365,487)	\$48,842,118
17	Operating expenses	91,973,280	12,572,749	104,546,029
18	Grants	490,196,862	(36,322,732)	453,874,130
19	Grants - medical assistance	1,601,650,984	136,544,093	1,738,195,077
20	Total all funds	\$2,234,028,731	\$111,428,623	\$2,345,457,354
21	Less estimated income	1,497,456,325	(76,052,936)	1,421,403,389
22	Total general fund	\$736,572,406	\$187,481,559	\$924,053,965

Subdivision 3.

HUMAN SERVICE CENTERS AND INSTITUTIONS

		Adjustments or		
	Base Level	Enhancements	Appropriation	
27	Statewide human service centers	\$6,002,865	\$66,890	\$6,069,755
28	Northwest human service center	8,674,568	283,623	8,958,191
29	North-central human service	20,902,226	1,086,945	21,989,171
30	—center			
31	Lake region human service center	11,244,306	1,491,827	12,736,133

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1	Northeast human service center	28,089,450	(206,675)	27,882,775
2	Southeast human service center	33,747,874	5,282,598	39,030,472
3	South central human service	16,466,240	327,643	16,793,883
4	—center			
5	West central human service center	26,352,443	3,474,303	29,826,746
6	Badlands human service center	11,708,054	637,664	12,345,718
7	State hospital	71,423,200	2,066,436	73,489,636
8	Developmental center	51,809,247	1,241,223	53,050,470
9	Total all funds	\$286,420,473	\$15,752,477	\$302,172,950
10	Less estimated income	126,939,489	(4,411,629)	122,527,860
11	Total general fund	\$159,480,984	\$20,164,106	\$179,645,090
12	Statewide human service centers	\$6,002,865	(\$933,110)	\$5,069,755
13	Northwest human service center	8,674,568	243,623	8,918,191
14	North central human service	20,902,226	1,046,945	21,949,171
15	—center			
16	Lake region human service center	11,244,306	1,451,827	12,696,133
17	Northeast human service center	28,089,450	(246,675)	27,842,775
18	Southeast human service center	33,747,874	3,942,598	37,690,472
19	South central human service	16,466,240	287,643	16,753,883
20	—center			
21	West central human service center	26,352,443	3,110,147	29,462,590
22	Badlands human service center	11,708,054	597,664	12,305,718
23	State hospital	71,423,200	1,641,436	73,064,636
24	Developmental center	51,809,247	951,223	52,760,470
25	Total all funds	\$286,420,473	\$12,093,321	\$298,513,794
26	Less estimated income	126,939,489	(5,136,629)	121,802,860
27	Total general fund	\$159,480,984	\$17,229,950	\$176,710,934

Subdivision 4.

BILL TOTAL

Adjustments or

Base Level

Enhancements

Appropriation

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1	Grand total general fund	\$927,229,214	\$249,640,313	\$1,176,869,527
2	Grand total special funds	1,670,969,526	(57,319,796)	1,613,649,730
3	Grand total all funds	\$2,598,198,740	\$192,320,517	\$2,790,519,257
4	Full-time equivalent positions	2,197.35	(0.27)	2,197.08
5	<u>Grand total general fund</u>	<u>\$927,229,214</u>	<u>\$218,105,761</u>	<u>\$1,145,334,975</u>
6	<u>Grand total special funds</u>	<u>1,670,969,526</u>	<u>(70,829,465)</u>	<u>1,600,140,061</u>
7	<u>Grand total all funds</u>	<u>\$2,598,198,740</u>	<u>\$147,276,296</u>	<u>\$2,745,475,036</u>
8	<u>Full-time equivalent positions</u>	<u>2,197.35</u>	<u>(1.27)</u>	<u>2,196.08</u>

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

SIXTY-FOURTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time

funding items approved by the sixty-second legislative assembly for the 2011-13 biennium and

the 2013-15 one-time funding items included in the appropriation in section 1 of this Act:

	<u>One-Time Funding Description</u>	<u>2011-13</u>	<u>2013-15</u>
14	Oil patch add on for staff	\$0	\$3,768,000
15	IT field services electronic health records	0	5,000,000
16	Mainframe migration	0	810,000
17	Demolish pleasant view building -	0	120,000
18	developmental center		
19	Demolish refectory building	0	240,000
20	developmental center		
21	State hospital capital projects	1,800,000	864,714
22	<u>Mainframe migration</u>	<u>\$0</u>	<u>\$810,000</u>
23	<u>Demolish refectory and pleasant view building -</u>	<u>0</u>	<u>220,000</u>
24	<u>developmental center</u>		
25	<u>State hospital capital projects</u>	<u>1,800,000</u>	<u>789,714</u>
26	<u>Grants</u>	<u>0</u>	<u>775,000</u>
27	Federal stimulus funds	519,175	0
28	Supplemental payments	400,000	0
29	Eligibility system	42,416,499	0
30	Critical access payments	3,454,061	0
31	Guardianship enhancements	64,000	0

1	Replacement of MMIS general fund	1,474,362	0
2	System changes for processing jail claims	<u>221,418</u>	<u>0</u>
3	Total all funds	\$50,349,515	\$10,802,714
4	Less estimated income	36,602,712	1,176,085
5	Total general fund	\$13,746,803	\$9,626,629
6	<u>Total all funds</u>	<u>\$50,349,515</u>	<u>\$2,594,714</u>
7	<u>Less estimated income</u>	<u>36,602,712</u>	<u>1,086,093</u>
8	<u>Total general fund</u>	<u>\$13,746,803</u>	<u>\$1,508,621</u>

9 The 2013-15 one-time funding amounts are not a part of the entity's base budget for the
10 2015-17 biennium. The department of human services shall report to the appropriations
11 committees of the sixty-fourth legislative assembly on the use of this one-time funding for the
12 biennium beginning July 1, 2013, and ending June 30, 2015.

13 ~~**SECTION 3. APPROPRIATION - AUTHORIZATION - DEPARTMENT OF HUMAN**~~
14 ~~**SERVICES.** In addition to the amounts appropriated to the department of human services in~~
15 ~~section 1 of this Act, there is appropriated any additional federal funds from the Patient~~
16 ~~Protection and Affordable Care Act [Pub. L. 111-148], as amended by the Health Care and~~
17 ~~Education Reconciliation Act of 2010 [Pub. L. 111-152], to implement the provisions for the~~
18 ~~medicaid expansion. All federal funds received for the medicaid expansion are hereby~~
19 ~~appropriated to the department of human services for the biennium beginning July 1, 2013, and~~
20 ~~ending June 30, 2015.~~

21 **SECTION 3. FUNDING TRANSFERS - EXCEPTIONS - AUTHORIZATION.**

22 Notwithstanding section 54-16-04, the department of human services may transfer
23 appropriation authority between line items within each subdivision of section 1 of this Act and
24 between subdivisions within section 1 of this Act for the biennium beginning July 1, 2013, and
25 ending June 30, 2015. The department shall notify the office of management and budget of any
26 transfer made pursuant to this section. The department shall report to the budget section after
27 June 30, 2014, any transfers made in excess of \$50,000 and to the appropriations committees
28 of the sixty-fourth legislative assembly regarding any transfers made pursuant to this section.

29 **SECTION 4. EXEMPTION.** The amount appropriated for the replacement of the medicaid
30 management information system in chapter 50 of the 2007 Session Laws is not subject to the
31 provisions of section 54-44.1-11. Any unexpended funds from this appropriation approved under

1 section 54-44.1-11 for continuation into the 2009-11 biennium and then the 2011-13 biennium
2 are available for the completion of the medicaid management information system project during
3 the biennium beginning July 1, 2013, and ending June 30, 2015.

4 **SECTION 5. MEDICAID UPPER PAYMENT LIMITS.** Any appropriated increase for
5 department providers paid with medicaid funding, may only be provided to the extent the
6 increase will not exceed the upper payment limit for that specific medicaid service.

7 **SECTION 6. LEGISLATIVE INTENT - REBASE RURAL HEALTH CLINICS.** It is the intent
8 of the legislative assembly that the department of human services rebase rural health clinics to
9 the medicare rates. Future increases will be authorized based on approved inflationary
10 increases.

11 **SECTION 7. AMENDMENT.** Subsection 6 of section 50-24.7-01 of the North Dakota
12 Century Code is amended and reenacted as follows:

- 13 6. "Eligible beneficiary" means a resident of this state who:
- 14 a. (1) Is aged; or
- 15 (2) Is at least eighteen years of age and is disabled or blind;
- 16 b. Has applied for and is eligible to receive benefits under title XIX of the Social
- 17 Security Act [42 U.S.C. 1396 et seq.], and who has applied for and is receiving
- 18 benefits, if the individual is eligible to receive benefits, under titles II and XVI of
- 19 the Social Security Act [42 U.S.C. 401-434 and 42 U.S.C. 1381 et seq.];
- 20 c. Based on a functional assessment, is not severely impaired in any of the
- 21 activities of daily living of toileting, transferring to or from a bed or chair, or eating
- 22 and:
- 23 (1) Has health, welfare, or safety needs, including a need for supervision or a
- 24 structured environment; ~~and~~or
- 25 (2) Is impaired in three of the four instrumental activities of daily living of
- 26 preparing meals, doing homework, taking medicine, and doing laundry;
- 27 d. Has countable income, less the cost of necessary remedial care that may be
- 28 provided under this chapter, does not exceed an amount equal to the cash
- 29 benefit under titles II and XVI of the Social Security Act [42 U.S.C. 401-434 and
- 30 42 U.S.C. 1381 et seq.] which the individual would receive if the individual had no
- 31 income, plus the personal needs allowance;

- e. Has impairments that are not the result of an intellectual disability; and
- f. Is determined to be eligible pursuant to rules adopted by the department.

SECTION 8.

Review and limitation.

Intermediate care facility providers shall submit all facility construction or remodeling proposals to the department of human services prior to enactment of a contract for the completion of the project. The department of human services shall review all intermediate care facility construction or remodeling proposals and may limit allowable construction and remodeling costs to ensure the costs are reasonable and appropriate.

SECTION 9.

Personal needs allowance adjustments.

As of June thirtieth at the end of each biennium, the department of human services shall determine an adjustment for each category of personal needs allowance based on the consumer price index for urban consumers for the previous twelve months. The department of human services shall adjust the personal needs allowance, rounded to the nearest whole dollar, based on its determination on January first of the following year. If the consumer price index is a negative factor, the personal needs allowance may not be changed.

SECTION 10. GRANT TO ASSISTED LIVING CENTER - LIMITATION. The sum of \$425,000, or so much of the sum as may be necessary, included in the grants - medical assistance line item in subdivision 2 of section 1 of this Act, is to provide a grant to an assisted living center that accepts low-income tenants for an expansion project. This funding may not be spent for any other purpose if the expansion project has not begun by July 1, 2015.

SECTION 11. GRANTS. The grants line item in subdivision 2 of section 1 of this Act includes \$150,000, or so much of the sum as may be necessary, from the general fund for grants to a jurisdiction that is adjacent to an Indian reservation but does not receive reimbursement payments under section 50-01.2-03.2 and is determined by the department of human services to be the most significantly impacted based on calendar year 2011 data considering the provisions of subsection 2 of section 50-01.2-03.2, for the biennium beginning July 1, 2013, and ending June 30, 2015.

SECTION 12. AUTHORIZATION - GRANTS FOR ADAPTIVE SKIING. The grants - medical assistance line item in subdivision 2 of section 1 of this Act includes \$200,000 from the

1 general fund for grants for an adaptive skiing program, for the biennium beginning July 1, 2013,
2 and ending June 30, 2015. Of the funding provided, \$120,000 of the amount may be used for a
3 project coordinator and the remaining amount may be used for any equipment necessary for the
4 adaptive skiing program.

5 **SECTION 13. LEGISLATIVE MANAGEMENT STUDY - DEVELOPMENTAL CENTER.** The
6 legislative management shall consider studying, during the 2013-14 interim, the developmental
7 center in Grafton. If conducted, the study must determine future use, reduction in size, and any
8 change of scope for the developmental center. The study must consider information from local
9 community groups that have concerns or ideas for the future use of the developmental center.
10 The legislative management shall report its findings and recommendations, along with any
11 legislation required to implement the recommendations, to the sixty-fourth legislative assembly.

12 **SECTION 14. LEGISLATIVE INTENT - DEMOLITION OF DEVELOPMENTAL CENTER**
13 **BUILDINGS.** It is the intent of the sixty-third legislative assembly that the department of human
14 services demolish the refectory and pleasant view buildings at the developmental center at
15 westwood park, Grafton. If the amount of \$220,000 included in the developmental center line
16 item in subdivision 3 of section 1 of this Act is insufficient to provide for the demolition of both
17 buildings, the department of human services may request emergency commission approval for
18 additional funding from the state contingencies appropriation.