

Sixty-fourth  
Legislative Assembly  
of North Dakota

## REENGROSSED HOUSE BILL NO. 1359

Introduced by

Representatives Kreidt, Hofstad, Kempenich, J. Nelson

Senator Unruh

1 | A BILL for an Act to create and enact section ~~50-24.5-02~~50-24.5-02.3 of the North Dakota  
2 | Century Code, relating to basic care payment rates.

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

4 | **SECTION 1.** Section ~~50-24.5-02~~50-24.5-02.3 of the North Dakota Century Code is created  
5 | and enacted as follows:

6 | **50-24.5-02~~50-24.5-02.3~~. Basic care payment rates.**

- 7 | 1. The department shall establish, by rule, procedures for determining rates for the care  
8 | of residents of basic care facilities that qualify as vendors of an aged, blind, and  
9 | disabled persons program and for implementing provisions of this chapter. The  
10 | procedures must be based on methods and standards that the department finds are  
11 | adequate to recognize the costs that must be incurred for the care of residents in  
12 | efficiently and economically operated basic care facilities.
- 13 | 2. The department shall identify costs that are recognized for establishing payment rates.
- 14 | 3. The department shall establish limits on actual allowable historical operating cost  
15 | per diem based on cost reports of allowable operating costs. For the rate year  
16 | beginning July 1, 2016, the department annually shall establish limits for cost  
17 | categories using the costs reports submitted by all participating basic care providers  
18 | for the report year preceding the rate year. ~~The department shall establish the direct~~  
19 | ~~care rate limit by taking the highest rate and lowest rate from the cost reports~~  
20 | ~~submitted for the report year preceding the rate year, and multiplying the averaged~~  
21 | ~~amount by seventy percent. The department shall establish the indirect care rate limit~~  
22 | ~~by taking the highest rate and lowest rate from the cost reports submitted for the report~~  
23 | ~~year preceding the rate year, and multiplying the averaged amount by seventy~~  
24 | ~~percent~~The department shall work with stakeholders to determine the methodology to

1 be used to establish the annual limits required under this subsection within the limits of  
2 legislative appropriation.

3 4. The department shall provide, by rule, within the limits of legislative appropriation, for  
4 payment of rates paid by the aged, blind, and disabled persons program for a  
5 maximum of ~~twenty~~thirty days per occurrence for leave days for a resident who is in a  
6 licensed health care facility when the resident is expected to return to the facility.

7 5. Within the limits of legislative appropriation, the department shall establish an  
8 uncompensated care expense of one hundred eighty days.

9 6. The department shall abolish the annual compensation cap for top management of  
10 basic care facilities.