

Sixty-eighth  
Legislative Assembly  
of North Dakota

## ENGROSSED SENATE BILL NO. 2283

Introduced by

Senators Lee, Dever, Hogan

Representatives Ista, Swiontek, Weisz

1 A BILL for an Act to amend and reenact section 50-24.5-02.3 of the North Dakota Century  
2 Code, relating to basic care payment rates; to provide for a study; to provide an appropriation;  
3 and to declare an emergency.

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

5 **SECTION 1. AMENDMENT.** Section 50-24.5-02.3 of the North Dakota Century Code is  
6 amended and reenacted as follows:

7 **50-24.5-02.3. Basic care payment rates.**

- 8 1. The department shall ~~establish, by rule, procedures for determining rates~~determine  
9 limits for the care of residents of basic care facilities that qualify as vendors of an  
10 aged, blind, and disabled persons program and for implementing provisions of this  
11 chapter. ~~The procedures must be based on methods and standards that the~~  
12 ~~department finds are adequate to recognize the~~data demonstrating the most recent  
13 costs that must be incurred for the care of residents in efficiently and economically  
14 operated basic care facilities. The department shall determine the limits every four  
15 years by July first, beginning with July 1, 2023.
- 16 2. The department shall ~~identify costs that are recognized for establishing payment~~  
17 ~~rates~~establish the limits by using the median rates from the most recent data available.  
18 The direct care limit must be the median plus eighteen percent. The indirect care limit  
19 must be the median plus twelve percent for indirect care.
- 20 3. For the rate year beginning July 1, ~~2016~~2023, the department shall ~~establish the limits~~  
21 ~~by using the average of the highest and lowest rates from the 2014 rate year. The~~  
22 ~~direct care limit must be ninety five percent of the average and the indirect care limit~~  
23 ~~must be ninety percent of the average. Beginning with the July 1, 2017, rate year, the~~  
24 ~~department shall adjust the limits by using the cost percentage change from the prior~~

1           ~~two rate years, within the limits of legislative appropriations.~~increase rates and limits  
2           ~~six percent for inflation. For the rate year beginning July 1, 2024, the department shall~~  
3           ~~increase rates and limits four percent for inflation.~~

4           4. The department shall ~~provide, by rule, within the limits of legislative appropriations, for~~  
5           ~~payment of rates paid by the aged, blind, and disabled persons program for a~~  
6           ~~maximum of thirty days per occurrence for leave days for a resident who is in a~~  
7           ~~licensed health care facility when the resident is expected to return to the~~  
8           ~~facility.~~increase rates in the amount of ten dollars per day for the rate years beginning  
9           ~~July 1, 2023, and July 1, 2024.~~

10          5. Within the limits of legislative appropriations, the department shall establish an  
11          uncompensated care expense of one hundred eighty days.

12          **SECTION 2. APPROPRIATION.** There is appropriated out of any moneys in the general  
13          fund in the state treasury, not otherwise appropriated, the sum of \$19,118,386, or so much of  
14          the sum as may be necessary, and the sum of \$7,984,183 from special funds, to the department  
15          of health and human services for the basic care payment system, for the biennium beginning  
16          July 1, 2023, and ending June 30, 2025.

17          **SECTION 3. APPROPRIATION - DEPARTMENT OF HEALTH AND HUMAN SERVICES -**  
18          **STUDY OF BASIC CARE AND ASSISTED LIVING FACILITY LICENSURE AND**

19          **REGULATION.** There is appropriated out of any moneys in the general fund in the state  
20          treasury, not otherwise appropriated, the sum of \$600,000, or so much of the sum as may be  
21          necessary, to the department of health and human services for the purpose of studying the  
22          basic care payment system and the licensure and regulation of basic care and assisted living  
23          facilities, for the biennium beginning July 1, 2023, and ending June 30, 2025. The study shall  
24          consider:

- 25          1. The property component of the rate;
- 26          2. Providing an uncompensated care expense of three hundred sixty-five days;
- 27          3. The feasibility of classifying basic care as supported housing;
- 28          4. The calculation of the operation margin;
- 29          5. The calculation of annual inflation;
- 30          6. Rates for specialized basic care services licensed under North Dakota Administrative  
31          Code chapter 33-03-24.1;

- 1        7.    Structuring payments to provide an incentive for providers to serve individuals with
- 2            behavioral health needs; and
- 3        8.    The licensure and regulation of basic care and assisted living facilities.
- 4        **SECTION 4. EMERGENCY.** This Act is declared to be an emergency measure.