

**Department 325 - Department of Human Services
House Bill No. 1012**

	FTE Positions	General Fund	Other Funds	Total
2001-03 Schafer Executive Budget	2,252.57	\$340,546,370	\$1,016,554,663	\$1,357,101,033
1999-2001 Legislative Appropriations	<u>2,286.05¹</u>	<u>348,505,717</u>	<u>882,492,667</u>	<u>1,230,998,384²</u>
Increase (Decrease)	<u>(33.48)</u>	<u>(\$7,959,347)</u>	<u>\$134,061,996</u>	<u>\$126,102,649</u>

2001-03 Hoeven Executive Budget	<u>2,252.57</u>	<u>\$340,546,370</u>	<u>\$1,016,554,663</u>	<u>\$1,357,101,033</u>
Hoeven Increase (Decrease) to Schafer	<u>0.00</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

¹ The 1999-2001 legislatively authorized FTE positions of 2,262.80 have been increased by 23.25 FTE pursuant to Section 6 of 1999 Senate Bill No. 2012 which authorized the department to add FTEs at the human service centers, State Hospital, and Developmental Center.

² The 1999-2001 appropriation amounts include \$1,900,800, \$1,349,544 of which is from the general fund, for the agency's share of the \$5.4 million funding pool appropriated to the Office of Management and Budget (OMB) for special market equity adjustments for classified employees and \$192,206, \$129,632 of which is from the general fund, for the agency's share of the \$1.4 million funding pool appropriated to OMB for assisting agencies in providing the \$35 per month minimum salary increases in July 1999 and July 2000. The 1999-2001 appropriation amounts do not include \$27,021,187 of additional spending authority resulting from Emergency Commission action during the 1999-2001 biennium.

Major Schafer Recommendations Affecting Department of Human Services 2001-03 Budget

Departmentwide

- | | General Fund | Other Funds | Total |
|---|---------------------|--------------------|--------------|
| 1. Changes the source of funding for salaries and wages from the general fund to special funds by a total of \$1,195,013 for all divisions to recognize anticipated savings from vacant employee positions and employee turnover. This represents a two percent reduction of general fund salaries for the human service centers and a one percent reduction of general fund salaries for the remainder of the department, including the State Hospital and Developmental Center. In addition, the executive budget changes the funding source from the general fund to special funds for 10.65 FTE vacant positions at the State Hospital that the hospital has no immediate plans to fill totaling \$853,908. | (\$2,048,921) | \$2,048,921 | \$0 |
| 2. Uses health care trust fund moneys for Department of Human Services programs including: | | | |

	Executive Budget	House Version
Grants and loans	\$4,020,226	\$9,000,000
Health Insurance Portability and Accountability Act (HIPAA) state matching funds	3,870,794	3,000,000
Medical assistance state matching funds	25,000,000	
Statewide long-term care needs assessment	241,006	241,006
Service payments for elderly and disabled (SPED)	4,262,410	6,898,302
State Hospital landfill closure	413,255	
Administrative costs	71,158	71,158

Nursing home bed reduction incentive	4,100,000	
Nursing facility employee compensation enhancement	8,189,054	
Basic care employee compensation enhancement	202,080	
Nursing facility rate limit increases resulting from rebasing	681,846	
Nursing facility personal care allowance increase	266,400	
Basic care facility personal care allowance increase	180,000	
Qualified service provider (QSP) training grants	140,000	
Senior citizen mill levy match	150,000	
Medical assistance - Targeted case management	338,530	
Independent living center grants	100,000	
Total	\$37,878,849	\$33,558,376

See the attached memorandum for additional information on recommendations affecting the health care trust fund.

3. Provides funding based on the following federal matching assistance percentage (FMAP):

Federal Fiscal Year	FMAP
1998	70.43%
1999	69.94%
2000	70.42%
2001	69.99%
2002 (estimate)	69.87%
2003 (estimate)	69.87%

4. Increases funding provided from retained federal funds received by the state for county administrative costs to a total of \$31,940,419. \$2,494,569 \$2,494,569

Management

1. Adds funding from federal funds (\$5,055,347) and the health care trust fund (\$3,870,794) for the HIPAA computer system project. The House removed this funding from this bill and included \$8,055,347, of which \$3,000,000 is from the health care trust fund for HIPAA and other technology projects in House Bill No. 1196.		\$8,926,141	\$8,926,141
2. Eliminates one vacant FTE position in research and statistics not requested by the agency.	(\$45,850)	(\$37,513)	(\$83,363)
3. Adds funding from the general fund to replace special funds from the developmentally disabled facility loan fund No. 1 due to the anticipated reduction in funding available from that fund during the 2001-03 biennium.	\$325,570	(\$325,570)	\$0
4. Transfers 1 FTE to the Children and Family Services Division.	(\$66,800)	(\$54,655)	(\$121,455)
5. Adds funding for the ATM network.	\$412,225		\$412,225
6. Adds funding for computer system enhancements (OAR 205). The House reduced this funding by \$637,000 from the general fund.	\$1,287,681	\$1,874,033	\$3,161,714
7. Adds funding for converting to Windows 2000 operating system (OAR 209). The House removed this funding.	\$249,326	\$203,994	\$453,320

8. Adds funding for child support computer system changes (OAR 210).	\$481,589	\$934,851	\$1,416,440
9. Adds funding for development of an electronic documents management system (OAR 224).	\$137,024	\$112,976	\$250,000
10. Adds funding for integrating the remaining children and family services systems into the comprehensive child welfare information and payment system (CCWIPS) (OAR 225). The House reduced this funding by \$250,000 from the general fund.	\$750,000	\$750,000	\$1,500,000
11. Adds funding for temporary salaries (OAR 211).	\$97,274	\$79,591	\$176,865
12. Adds funding for recruiting and retaining information technology staff (OAR 298).	\$31,350	\$25,650	\$57,000

Economic Assistance

1. Increases funding for Indian county allocation pursuant to Section 9 of 1999 Senate Bill No. 2012. A total of \$2,771,979 is provided, \$703,972 of which is from the general fund. The House reduced this funding by \$387,095 from the general fund to reflect the calculation at 85 percent rather than 100 percent of formula.	\$582,206	\$413,353	\$995,559
2. Converts three temporary positions in Child Support to 3 FTE positions.		\$57,967	\$57,967
3. Adds 1 FTE human service program administrator position to provide independent verification and validation services for the child support program as required by the federal government.	\$29,709	\$57,669	\$87,378
4. Adds 1 FTE support specialist position to issue non-IV-D income withholding orders in the child support program. These duties are being transferred from the clerks of court to the State Disbursement Unit pursuant to 1999 House Bill No. 1121 (OAR 214). The House removed this funding and position.	\$75,103		\$75,103
5. Converts two customer service temporary positions in Child Support to 2 FTE positions.	\$11,281	\$21,898	\$33,179
6. Transfers 1 FTE administrative position (\$96,687) from the intergovernmental transfer program to Healthy Steps and adds 1 FTE (\$76,279) to Healthy Steps. The House removed this funding and these positions.		\$172,966	\$172,966
7. Removes contingent funding provided by the 1999 Legislative Assembly for making medical assistance payments to the newly established traumatic brain injury facility in western North Dakota.	(\$60,000)	(\$140,000)	(\$200,000)
8. Reduces funding for nursing facility alternative grants and loans from the health care trust fund from the original 1999-2001 legislative appropriation. The executive budget provides for nursing facility grants and loans of \$4,020,226, the amount committed during the 1999-2001 biennium but which is not anticipated to be paid out until the 2001-03 biennium. The House removed this funding from this bill and included \$9,000,000 for grants and loans from the health care trust fund in House Bill No. 1196. The \$9,000,000 includes \$4,020,226 for the grants and loans committed during the 1999-2001 biennium and an additional \$4,979,774 for new renovation loans.		(\$242,184)	(\$242,184)
9. Reduces funding for making government nursing facility funding pool payments to Dunseith and McVile (the 1999-2001 amounts used for this comparison include the 1998 and 1999 pool payments). The executive budget includes total payments of \$26,440,813 for the 2001-03 biennium. Of this total, \$7,946,165 is the required state matching funds that will be provided from the health care trust fund. During the 1999-2001 biennium, the state matching funds were provided from the general fund and from Bank of North Dakota loans. The House removed this funding from this bill and included \$38,750,000, of which \$11,650,000 is from the general fund in House	(\$3,618,391)	(\$31,365,471)	(\$34,983,862)

Bill No. 1196 for making these pool payments during the 2001-03 biennium.

10. Requires the department to seek a Medicaid personal care waiver to allow Medicaid to pay a portion of basic care costs.	(\$5,391,869)	\$5,391,869	\$0
11. Provides \$562,365,199, \$129,815,101 of which is from the general fund, \$25,000,000 from the health care trust fund, and the remainder from federal and other funds for medical assistance. Without the \$25,000,000 provided from the health care trust fund, the general fund share would show an increase of \$9,310,352. Major funding increases within medical assistance relate to prescription drugs that are estimated to increase by \$28,700,000 or 57 percent and funding for nursing facilities which is increasing by \$12,200,000 or 4.8 percent. The House removed the \$25,000,000 from the health care trust fund and replaced a portion of it with \$21,000,000 from the general fund. These changes result in a \$13,300,000 reduction for medical assistance, of which \$9,300,000 is from federal funds and \$4,000,000 of state matching funds.	(\$15,689,648)	\$63,775,436	\$48,085,788
12. Requires prior authorization of medical services and drugs under the medical assistance program (House Bill No. 1116). The House defeated this bill, but no change was made relating to the funding that was removed in the executive budget relating to this recommendation.	(\$180,300)	(\$419,700)	(\$600,000)
13. Increases funding for developmental disabilities grants. Total funding provided is \$156,870,722, \$51,383,465 of which is from the general fund. The major funding increase for developmental disabilities (DD) grants is funding for community intermediate care facilities for the mentally retarded (ICF/MR) care which is increasing by \$4,400,000 or 7.7 percent. The House added \$1,498,512, of which \$484,547 is from the general fund, for DD grants to increase the average wage for community provider direct care workers by 10 cents per hour.	\$2,080,746	\$5,867,287	\$7,948,033
14. Increases funding for Healthy Steps (children's health insurance program). Funding included in the executive recommendation provides for continuing eligibility requirements at 140 percent of poverty, a caseload beginning the biennium at 2,885 children per month and increasing to 2,995 per month by the end of the biennium, and an annual inflation rate on the insurance premiums of 16.4 percent. Funding totals \$8,917,719, \$1,886,714 of which is from the general fund.	\$1,068,924	\$3,961,957	\$5,030,881

Program and Policy

1. Increases funding for the senior citizen mill levy match. A total of \$1,662,945 is provided from the general fund. The House reduced this funding by \$350,000 in this bill and provided \$150,000 from the health care trust fund for senior citizen mill levy matching grants in House Bill No. 1196.	\$400,000		\$400,000
2. Increases funding for SPED. The executive budget provides a total of \$13,967,295 for SPED, \$8,561,099 of which is from the general fund, \$4,262,410 from the health care trust fund, \$445,432 of federal funds, and \$698,354 from the counties. The executive budget requires the department to include targeted case management for SPED in its state Medicaid plan, which allows this service to receive federal Medicaid funding. This change results in the general fund being reduced by \$445,432 and federal funds increasing by \$445,432. The House reduced funding for SPED by \$551,700, of which \$90,065 is from the general fund to reflect targeted case management costs being paid in medical assistance. In addition, the House removed the \$4,262,410 of funding from the health care trust fund in this bill, reduced the general fund by \$2,635,892 and provided the sum of these two reductions (\$6,898,302) from the health care trust fund for SPED in House Bill No. 1196.	\$649,931	\$503,074	\$1,153,005

3. Increases funding for expanded SPED. The executive budget provides a total of \$1,421,080 from the general fund for expanded SPED. The House reduced funding for expanded SPED by \$217,800 to reflect targeted case management costs being paid in medical assistance.	\$523,036		\$523,036
4. Eliminates the contingent general fund appropriation provided by the 1999 Legislative Assembly for SPED to use during the 1999-2001 biennium if funding appropriated for SPED from the health care trust fund was not available.	(\$4,262,410)		(\$4,262,410)
5. Removed 1 FTE in Children's Special Health Services. Funding of \$15,600 was transferred to temporary salaries.			
6. Adds a .5 FTE HSPA V position transferred from management.	\$35,444	\$28,999	\$64,443
7. Removes a .5 FTE in family preservation.	(\$23,425)	(\$48,931)	(\$72,356)
8. Reduces funding for intensive in-home family preservation services grants (OAR 231). The House reduced these grants by an additional \$50,000.	(\$100,000)		(\$100,000)
9. Provides funding for a 2.2 percent annual inflation factor for foster care and adoption programs (OARs 254-257).	\$329,194	\$1,153,027	\$1,482,221
10. Provides funding for increasing residential child care facility rates by \$50 per month (OAR 258).	\$90,779	\$251,571	\$342,350
11. Reduces federal funding received during the 1999-2001 biennium relating to disaster crisis counseling.		(\$1,006,000)	(\$1,006,000)
12. Reduces federal funding relating to the partnership project.		(\$328,716)	(\$328,716)
13. Adds a .5 FTE position in mental health transferred from management.	\$56,279	\$4,643	\$60,922
14. Adds funding in mental health and substance abuse from carryover funds from the federal substance abuse block grant.		\$400,000	\$400,000
15. Transfers federal funding for the DD infants and toddlers program to the human service centers.		(\$243,000)	(\$243,000)
16. Reduces general fund support in vocational rehabilitation for the older blind program.	(\$60,791)		(\$60,791)
17. Increases funding from the general fund for independent living centers. A total of \$1,221,699 is provided, \$643,992 from the general fund. The House reduced this funding by \$300,000 from the general fund in this bill and provided \$100,000 from the health care trust fund for these grants in House Bill No. 1196.	\$300,000		\$300,000
State Hospital			
1. Removes 1 FTE collections officer.	(\$62,839)		(\$62,839)
2. Removes 1 FTE reimbursement officer.	(\$78,932)		(\$78,932)
3. Removes a .5 FTE clerk.	(\$32,708)		(\$32,708)
4. Adds funding from the health care trust fund for costs of closing the State Hospital landfill. The House removed this funding and added a section of legislative intent that the State Hospital seek the assistance of the National Guard to complete the closure of this landfill.		\$413,255	\$413,255
5. Adds funding for State Hospital capital construction lease payments. These funds will be paid to the Industrial Commission for repaying bonds issued on behalf of the State Hospital and were previously appropriated to the Industrial Commission.	\$566,500		\$566,500
6. Reduces funding for capital improvements. 1999-2001 biennium funding of \$1,050,000 for the boiler replacement project is removed. The 2001-03 executive budget provides \$703,676 from the general	(\$995,989)		(\$995,989)

fund for extraordinary repairs. The House reduced this funding by \$300,000 from the general fund.

7. Removes the following 3.6 FTE vacant positions:	(\$260,478)		(\$260,478)
Cook (1 FTE) - \$51,058			
Plumber (1 FTE) - \$74,209			
Electrician (1 FTE) - \$74,209			
Duplicating center supervisor (.6 FTE) - \$61,002			
8. Increases funding for client medications.	\$97,669		\$97,669
9. Removes the following 6 FTE vacant positions:	(\$692,399)		(\$692,399)
Physician (1 FTE) - \$313,848			
Psychologist (1 FTE) - \$123,713			
Registered nurse (1 FTE) - \$83,335			
Licensed practical nurse (1 FTE) - \$66,425			
Mental health care specialist (2 FTE) - \$105,078			
10. Changes the funding source for 10.65 FTE positions in treatment services from the general fund to special funds. This amount is also included in the total amount of underfunding of the pay plan that is shown under departmentwide changes above.	(\$853,908)	\$853,908	\$0
11. Provides that funding be received from the Department of Corrections and Rehabilitation for DUI offender treatment services provided to corrections inmates at the State Hospital.	(\$2,139,284)	\$2,139,284	\$0
Developmental Center			
1. Removes the following 3.70 FTE health services positions:	(\$111,844)	(\$260,968)	(\$372,812)
Nurse practitioner (.5 FTE) - \$68,925			
Licensed practical nurse (1 FTE) - \$69,489			
Registered nurse (.25 FTE) - \$19,018			
Physical therapist (.20 FTE) - \$21,823			
Occupational therapist (.20 FTE) - \$21,582			
Psychologist (1 FTE) - \$104,296			
Speech therapist (.55 FTE) - \$67,679			
2. Removes one FTE superintendent position. The Developmental Center and the State Hospital will be sharing a superintendent.	(\$53,342)	(\$124,466)	(\$177,808)
3. Adds funding for Developmental Center capital construction lease payments. These funds will be paid to the Industrial Commission for repaying bonds issued on behalf of the Developmental Center and were previously appropriated to the Industrial Commission.	\$649,234		\$649,234
4. Reduces funding for capital improvements to \$285,129, of which \$210,844 is from the general fund. The House reduced this funding by \$70,000, of which \$42,000 is from the general fund.	\$45,454	(\$183,935)	(\$138,481)
5. Removes the following two FTE resident living program positions:	(\$67,826)	(\$158,260)	(\$226,086)
Unit director (1 FTE) - \$112,285			
Resident unit program coordinator (1 FTE) - \$113,801			
6. Removes 1.46 FTE nursing positions and transfers funding of \$92,784 to temporary salaries.			
Northwest Human Service Center			
1. Removes 1 FTE business manager position. The Northwest and North Central Human Service Centers will be sharing a business manager.	(\$71,857)	(\$8,061)	(\$79,918)
2. Removes a .32 FTE vacant psychiatrist position.	(\$179,002)		(\$179,002)
3. Replaces general fund support with special funds received from the Children's Services Coordinating Committee for the mental health partnership program.	(\$75,000)	\$75,000	\$0

North Central Human Service Center

1. Removes a .15 vacant psychiatrist position.	(\$26,562)	(\$27,437)	(\$53,999)
2. Reduces mental health partnership program grants.		(\$332,500)	(\$332,500)
3. Eliminates the seriously mentally ill (SMI) Rhinelander program.	(\$70,000)		(\$70,000)
4. Replaces general fund support with special funds received from the Children's Services Coordinating Committee for the mental health partnership program.	(\$75,000)	\$75,000	\$0

Lake Region Human Service Center

1. Replaces general fund support with special funds received from the Children's Services Coordinating Committee for the mental health partnership program.	(\$75,000)	\$75,000	\$0
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Northeast Human Service Center

1. The executive budget restored the \$500,000 of general fund budget reductions made by the Northeast Human Service Center to comply with the 1999 Legislative Assembly directive that the department identify budget savings totaling \$500,000 for the 2001-03 biennium relating to the efficiencies and the collocation of service delivery that has resulted from being located in the city/county building in Grand Forks.			
2. Removes 16.75 FTE positions by:			
Converting the SMI work activity program to a contracted service (1 FTE).			
Converting the Rhinelander program to a contracted service (.5 FTE).			
Converting the hospital alternative program and the chemical dependency adolescent residential facilities program to a contracted service (15.25 FTE).			
3. Replaces general fund support with special funds received from the Children's Services Coordinating Committee for the mental health partnership program.	(\$75,000)	\$75,000	\$0

Southeast Human Service Center

1. Adds funding for Southeast Human Service Center capital construction lease payments. These funds will be paid to the Industrial Commission for payment on bonds issued on behalf of the center and were previously appropriated to the Industrial Commission.	\$441,125		\$441,125
2. Adds 1 FTE child welfare position.	\$59,306	\$23,790	\$83,096
3. Increases funding for adult protective services.	\$53,300	\$27,500	\$80,800
4. Removes 1 FTE mental health partnership position.	(\$56,193)		(\$56,193)
5. Reduces mental health partnership intensive in-home services grants.		(\$342,000)	(\$342,000)
6. Eliminates funding for the seriously mentally ill (SMI) Rhinelander program.	(\$16,044)		(\$16,044)
7. Reduces federal funding for alcohol treatment contract services to \$36,973 of federal funds.		(\$72,000)	(\$72,000)
8. Adds 1 FTE adult psychologist position (OAR 212).	\$53,130	\$79,528	\$132,658
9. Replaces general fund support with special funds received from the Children's Services Coordinating Committee for the mental health partnership program.	(\$75,000)	\$75,000	\$0

South Central Human Service Center

1. Increases funding for the center's transitional living facility, which began operations during the second year of the 1999-2001 biennium.	(\$12,874)	\$279,048	\$266,174
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It will be operating for two full years during the 2001-03 biennium. The executive budget includes funding of \$584,879, \$186,879 of which is from the general fund for this program for the 2001-03 biennium.

2. Replaces general fund support with special funds received from the Children's Services Coordinating Committee for the mental health partnership program.	(\$75,000)	\$75,000	\$0
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West Central Human Service Center

1. Adds 1 FTE county supervisor position.	\$56,562	\$26,618	\$83,180
2. Adds a .5 FTE DD case manager.	\$26,839	\$17,892	\$44,731
3. Increases funding for the adult protective services grant. The House removed the general fund support for adult protective services.	\$58,100	(\$21,800)	\$36,300
4. Increases rent for the Manchester House, which expanded its bed capacity from 10 to 12 in May 2000. The executive budget includes \$340,648, \$102,194 of which is from the general fund for renting this facility.	\$20,621	\$48,117	\$68,738
5. Adds 1 FTE SMI case manager.	\$23,642	\$55,165	\$78,807
6. Replaces general fund support with special funds received from the Children's Services Coordinating Committee for the mental health partnership program.	(\$75,000)	\$75,000	\$0

Badlands Human Service Center

1. Eliminates DD residential services including 4 FTE positions. Funding was transferred to the central office during the 1999-2001 biennium to contract for these services.			\$0
2. Increases funding for psychiatric services (OAR 261).	\$15,000		\$15,000
3. Replaces general fund support with special funds received from the Children's Services Coordinating Committee for the mental health partnership program.	(\$75,000)	\$75,000	\$0

**Major Hoeven Recommendations Affecting Department of Human Services
2001-03 Budget Compared to the Bill as Introduced (Schafer Budget)**

The Hoeven budget recommendation does not change the 2001-03 biennium Schafer executive budget recommendation for this agency. The Hoeven budget does recommend paying the Dunseith and McVille nursing homes an additional governmental nursing facility funding pool (intergovernmental transfer program) transaction payment of \$200,000 each during the 1999-2001 biennium that the Schafer budget did not recommend.

Major Legislation Affecting the Department of Human Services

House Bill No. 1109 expands the definition of a basic care facility to include an Alzheimer's, dementia, or special memory care facility. The bill requires assisted living facilities to register with the Department of Human Services and pay an annual registration fee of \$10. Basic care facilities would continue to be licensed by the State Department of Health.

House Bill No. 1114 authorizes the Department of Human Services to sell certain State Hospital land to the city of Jamestown.

House Bill No. 1115 authorizes the Department of Human Services to implement a personal care option benefit program for qualified individuals residing in basic care facilities. This is expected to allow the department to access an estimated \$5,609,666 of federal Medicaid funds for the 2001-03 biennium. Provisions of this bill were reflected in the executive budget.

House Bill No. 1117 requires the Department of Human Services to establish targeted case management services for eligible elderly and disabled individuals who are at risk of requiring long-term care services. This will allow the department to access an estimated \$445,432 of federal Medicaid funds in the SPED program for the 2001-03 biennium. Provisions of this bill were reflected in the executive budget.

House Bill No. 1196 continues the intergovernmental transfer program that allows the state to claim additional federal Medicaid funds by making government nursing facility funding pool payments to government nursing facilities in the state--Dunseith and McVille, having these facilities return the funding to the state, less a \$50,000 transaction fee, and depositing the federal funds in the health care trust fund.

The bill appropriates \$38,750,000, of which \$11,650,000 is from the general fund and \$27,100,000 of federal funds for making government nursing facility funding pool payments during the 2001-03 biennium. The general fund share of each payment will be returned to the general fund within one business day of the payment being made; therefore, general fund revenues will increase by \$11,650,000.

The bill appropriates \$800,000 from the health care trust fund for making an additional transaction fee payment of \$400,000 to each of the government nursing facilities (Dunseith and McVilke) during the 1999-2001 biennium.

The bill creates a nursing facility nurses student loan payment program, transfers \$1,000,000 from the health care trust fund to the nursing facility nurses student loan payment fund, and appropriates \$200,000 from the nursing facility nurses student loan fund for making these payments during the 2001-03 biennium.

The bill appropriates \$8,055,347, of which \$3,000,000 is from the health care trust fund and \$5,055,347 is federal funds for costs associated with complying with the federal Health Insurance Portability and Accountability Act (HIPAA) and for other technology projects.

The bill appropriates funds for the following economic assistance programs for the 2001-03 biennium:

	Health Care Trust Fund	Federal Funds	Total
Administrative costs	\$71,158		\$71,158
Grants - 1999-2001 commitments	100,226		100,226
Loans	8,899,774		8,899,774
Statewide long-term care needs assessment	241,006		241,006
Nursing home bed reduction incentive	4,100,000		4,100,000
Nursing facility employee compensation enhancement	8,189,054	\$19,107,793	27,296,847
Basic care employee compensation enhancement	202,080	471,520	673,600
Nursing facility rate limit increases resulting from rebasing	681,846	1,590,974	2,272,820
Nursing facility personal care allowance increase	266,400	621,600	888,000
Basic care facility personal care allowance increase	180,000		180,000
Qualified service provider (QSP) training grants	140,000		140,000
Targeted case management	338,530	769,220	1,107,750
Total	\$23,410,074	\$22,561,107	\$45,971,181

This bill includes the following appropriations for program and policy programs:

	Health Care Trust Fund
Service payments for the elderly and disabled (SPED)	\$6,898,302
Senior citizen mill levy match	150,000
Independent living center grants	100,000
Total	\$7,148,302

See the attached memorandum for additional information on recommendations affecting the health care trust fund.

House Bill No. 1282 requires the Department of Human Services to pay for ambulance service calls for Medicaid-covered individuals even if the service call does not result in transport.

House Bill No. 1415 continues the moratorium on the expansion of residential treatment center or residential child care facility bed capacity through June 30, 2003, unless the Department of Human Services determines that a need exists for additional bed capacity.

House Bill No. 1441 removes the asset test for children and families coverage groups and pregnant women to be eligible for medical assistance and provides that the counties rather than the state determine eligibility for the children's health insurance program (Healthy Steps).

House Bill No. 1472 appropriates \$544,120, of which \$114,755 is from the community health trust fund and \$429,365 of federal funds to the Department of Human Services for providing medical assistance coverage for women with breast or cervical cancer.

Senate Bill No. 2034 adds the Developmental Center to the definition of a "treatment center" for sexually dangerous individuals.

Senate Bill No. 2095 changes the method of determining eligibility for the children's health insurance program (Healthy Steps) for self-employed applicants. Eligibility will be determined based on the lower of the applicant's previous year's adjusted gross

income or the previous three-year average rather than basing eligibility only on the average adjusted gross income for the previous three years.

Senate Bill No. 2098 continues the moratoriums on the expansion of long-term care and basic care bed capacity.

Senate Bill No. 2307 requires the Department of Human Services to establish a developmental disability services provider reimbursement pilot project in the Southeast Human Service Center region.

Senate Bill No. 2308 appropriates \$89,000 from the general fund to the Department of Human Services for compulsive gambling prevention, awareness, rehabilitation, and treatment services. Of the \$89,000 appropriation, \$39,000 is for the development of gambling counselor certification standards.

Senate Bill No. 2354 appropriates \$200,000 of federal temporary assistance for needy families (TANF) funds to the Department of Human Services for an alternatives-to-abortion services program.

Senate Bill No. 2403 requires the Department of Human Services to make available orthodontic services in conjunction with oral maxillofacial surgical services to certain Medicaid recipients.

Senate Bill No. 2414 removes the benefit cap for families participating in the temporary assistance for needy families (TANF) program and provides for the coverage of child delivery services under the children's health insurance program (Healthy Steps).

Summary of Legislative Changes Resulting From First House Action

See Statement of Purpose of Amendment (attached).