

**FIRST ENGROSSMENT  
with House Amendments  
ENGROSSED SENATE BILL NO. 2012**

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of various divisions of  
2 the department of health and human services; to provide an appropriation to the university of  
3 North Dakota school of medicine and health sciences; to provide an exemption; to create and  
4 enact a new section to chapter 50-06 and a new subsection to section 50-24.1-07 of the North  
5 Dakota Century Code, relating to a North Dakota legislative health care task force, and  
6 Medicaid claims; to amend and reenact sections 50-01.2-01, 50-06-42, 50-11.1-02, 50-11.1-22,  
7 50-11.1-23, 50-11.1-24, 50-24.1-26, subsection 5 of section 50-24.1-37 and sections  
8 50-24.5-02.3 and 50-29-04 of the North Dakota Century Code, relating to human service zone  
9 board membership, the substance use disorder treatment voucher system, Medicaid in-home  
10 services, the best in class program, basic care payment rates, the Medicaid expansion  
11 program, and the children's health insurance program; to repeal section 50-06-32.1 of the North  
12 Dakota Century Code, relating to the autism voucher; to provide a statement of legislative  
13 intent; to provide for a legislative management study; to provide for a report; and to provide an  
14 effective date.

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

16 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds  
17 as may be necessary, are appropriated out of any moneys in the general fund in the state  
18 treasury, not otherwise appropriated, and from special funds derived from federal funds and  
19 other income, to the department of health and human services for the purpose of defraying the  
20 expenses of its various divisions, for the biennium beginning July 1, 2023, and ending June 30,  
21 2025, as follows:

22 Subdivision 1.

23

MANAGEMENT

Sixty-eighth  
Legislative Assembly

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
1			
2			
3	Salaries and wages	\$21,363,556	(\$21,363,556) \$0
4	Salaries and wages block grant	0	456,750,493 456,750,493
5	Operating expenses	151,161,924	94,904,000 246,065,924
6	Capital assets	<u>75,000</u>	<u>0</u> <u>75,000</u>
7	Total all funds	\$172,600,480	\$530,290,937 \$702,891,417
8	Less estimated income	<u>92,905,426</u>	<u>293,046,361</u> <u>385,951,787</u>
9	Total general fund	\$79,695,054	\$237,244,576 \$316,939,630

10 Subdivision 2.

11 PROGRAM AND POLICY

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
12			
13			
14	Salaries and wages	\$122,081,310	(\$122,081,310) \$0
15	Operating expenses	176,078,719	52,389,611 228,468,330
16	Capital assets	10,000	0 10,000
17	Grants	467,144,387	166,930,099 634,074,486
18	Grants - medical assistance	3,028,666,463	207,208,461 3,235,874,924
19	Opioid prevention	<u>0</u>	<u>2,000,000</u> <u>2,000,000</u>
20	Total all funds	\$3,793,980,879	\$306,446,861 \$4,100,427,740
21	Less estimated income	<u>2,499,452,627</u>	<u>114,043,110</u> <u>2,613,495,737</u>
22	Total general fund	\$1,294,528,252	\$192,403,751 \$1,486,932,003

23 Subdivision 3.

24 FIELD SERVICES

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
25			
26			
27	Human service centers	\$163,213,829	(\$116,168,572) \$47,045,257
28	Institutions	<u>130,383,428</u>	<u>(69,570,994)</u> <u>60,812,434</u>
29	Total all funds	\$293,597,257	(\$185,739,566) \$107,857,691
30	Less estimated income	<u>114,273,300</u>	<u>(84,296,246)</u> <u>29,977,054</u>
31	Total general fund	\$179,323,957	(\$101,443,320) \$77,880,637

1 Subdivision 4.

2 COUNTY SOCIAL SERVICE FINANCING

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
4 County social services	\$189,917,386	\$3,996,275	\$193,913,661
6 Total all funds	\$189,917,386	\$3,996,275	\$193,913,661
7 Less estimated income	<u>188,676,995</u>	<u>5,219,793</u>	<u>193,896,788</u>
8 Total general fund	\$1,240,391	(\$1,223,518)	\$16,873

9 Subdivision 5.

10 TOTAL - SECTION 1

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
13 Grand total general fund	\$1,554,787,654	\$326,981,489	\$1,881,769,143
14 Grant total special funds	<u>2,895,308,348</u>	<u>328,013,018</u>	<u>3,223,321,366</u>
15 Grant total all funds	\$4,450,096,002	\$654,994,507	\$5,105,090,509
16 Full-time equivalent positions	2,265.33	0.00	2,265.33

17 **SECTION 2. ONE-TIME FUNDING.** The following amounts reflect the one-time funding  
18 items approved by the sixty-seventh legislative assembly for the 2021-23 biennium:

	<u>One-Time Funding Description</u>	<u>2021-23</u>	<u>2023-25</u>
20 Technology projects		\$67,596,372	\$71,000,000
21 Quality measures		45,375	0
22 Nursing payment methodology		7,200,000	0
23 Developmental disabilities provider stabilization grants		125,000	0
24 Human service center projects		724,000	735,154
25 Opioid settlement funding		2,000,000	0
26 Special session one-time appropriations		138,389,558	0
27 State hospital design		0	12,500,000
28 Service grants		0	585,000
29 Cross-disability advisory council		0	700,000
30 Behavioral health facility grants		0	1,950,000
31 Operating inflation		0	20,564,344

1	Pregnant and parenting residential	0	1,000,000
2	Law enforcement telehealth	<u>0</u>	<u>2,650,000</u>
3	Total all funds	\$216,080,305	\$111,684,498
4	Less estimated income	<u>191,847,089</u>	<u>99,452,326</u>
5	Total general fund	\$24,233,216	\$12,232,172

6       **SECTION 3. APPROPRIATION - UNIVERSITY OF NORTH DAKOTA SCHOOL OF**  
7 **MEDICINE AND HEALTH SCIENCES - CLINICAL INTEGRATED NETWORK GRANT.**

- 8       1. There is appropriated out of any moneys in the community health trust fund in the  
9       state treasury, not otherwise appropriated, the sum of \$3,500,000, or so much of the  
10       sum as may be necessary, to the university of North Dakota school of medicine and  
11       health sciences for the purpose of the center for rural health awarding a grant to a  
12       clinical integrated network, for the biennium beginning July 1, 2023, and ending  
13       June 30, 2025.
- 14       2. To qualify for a grant under this section, an applicant:
- 15       a. Must be a statewide value-based clinical integrated network that supports a  
16       majority of the independent critical access hospitals in the state.
- 17       b. Must certify one dollar of matching funds for every five dollars of grant funds  
18       awarded.
- 19       c. Shall demonstrate a strategic plan to accomplish the following goals:
- 20       (1) Implementation of a data-sharing platform;
- 21       (2) Utilization of value-based care contract modeling;
- 22       (3) Utilization of data analytics software to provide for risk stratification and  
23       referral management capabilities;
- 24       (4) Development of unified care management practices; and
- 25       (5) Staffing of the clinical integrated network.
- 26       d. Shall agree during the 2023-25 and 2025-27 bienniums to make annual reports  
27       to the department of health and human services and the center for rural health on  
28       the use of the grant funds and the status of accomplishing the clinical integrated  
29       network strategic plan goals.

30       **SECTION 4. APPROPRIATION - 2021-23 BIENNIUM - CHILD SUPPORT.** There is  
31       appropriated out of any moneys in the department of health and human services operating fund

1 in the state treasury, not otherwise appropriated, the sum of \$4,000, or so much of the sum as  
2 may be necessary, to the the department of health and human services for the purpose of  
3 repayment of moneys, including interest, not withheld by the state in accordance with section  
4 14-09-09.16 from an obligor's unemployment benefits from June 1, 2021, through  
5 September 30, 2021, for the period beginning with the effective date of this section and ending  
6 June 30, 2023.

7 **SECTION 5. FUNDING TRANSFERS - EXEMPTION - AUTHORIZATION - REPORT.**

8 Notwithstanding section 54-16-04, the director of the office of management and budget shall  
9 transfer appropriation authority between line items within subdivisions 1, 2, 3, and 4 of  
10 section 1 of this Act, section 1 of House Bill No. 1004 as approved by the sixty-eighth legislative  
11 assembly, and any remaining appropriation authority for the department of health and human  
12 services approved by the sixty-eighth legislative assembly for the biennium beginning July 1,  
13 2023, and ending June 30, 2025, as requested by the department of health and human  
14 services. The department of health and human services may use the transfer authority in this  
15 section to transfer or expend funds for the continuation of the community behavioral health  
16 program pursuant to section 54-23.3-10. The department of health and human services shall  
17 notify the legislative council of any transfer made pursuant to this section. The department shall  
18 report to the budget section after June 30, 2024, any transfer made in excess of \$50,000 and to  
19 the appropriations committees of the sixty-ninth legislative assembly regarding any transfers  
20 made pursuant to this section.

21 **SECTION 6. TRANSFER OF APPROPRIATION AUTHORITY.** Section 1 of this Act and  
22 section 1 of House Bill No. 1004 include appropriation authority for the department of health and  
23 human services for the biennium beginning July 1, 2023, and ending June 30, 2025. On July 1,  
24 2023, the office of management and budget shall combine the appropriation authority contained  
25 in section 1 of this Act and section 1 of House Bill No. 1004, and any other appropriation  
26 authority for the department of health and human services in other bills approved by the  
27 sixty-eighth legislative assembly, into one budget for the department of health and human  
28 services. The department of health and human services shall submit one budget request for the  
29 biennium beginning July 1, 2025, and ending June 30, 2027.

30 **SECTION 7. FULL-TIME EQUIVALENT POSITION BLOCK GRANT PROGRAM -**  
31 **REPORT.** Subdivision 1 of this Act includes funding for a full-time equivalent position block

1 grant program. This funding, along with salaries and wages funding appropriated in House Bill  
2 No. 1004, as approved by the sixty-eighth legislative assembly, is available to fund full-time  
3 equivalent positions as determined by the department of health and human services.  
4 Notwithstanding any other provision of law, the department is authorized to increase or  
5 decrease authorized full-time equivalent positions subject to the availability of funds and the  
6 provisions of this section. The department may not increase full-time equivalent positions for the  
7 purpose of transferring human service zone employees to state employment. Pursuant to  
8 section 5 of this Act, the department is authorized to transfer funding to and from the salaries  
9 and wages block grant line item. The department shall report to the office of management and  
10 budget and legislative council any adjustments to full-time equivalent positions. The department  
11 shall provide reports to the legislative management regarding the use of funding for the  
12 program.

13 **SECTION 8. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND -**  
14 **HUMAN SERVICE FINANCE FUND.** The office of management and budget shall transfer the  
15 sum of \$23,200,000 from the strategic investment and improvements fund to the human service  
16 finance fund during the biennium beginning July 1, 2023, and ending June 30, 2025.

17 **SECTION 9. ESTIMATED INCOME - HUMAN SERVICE FINANCE FUND.** The estimated  
18 income line items in subdivisions 1 and 4 of section 1 of this Act includes the sum of  
19 \$223,200,000 from the human service finance fund for state-paid economic assistance and  
20 social and human services.

21 **SECTION 10. ESTIMATED INCOME - COMMUNITY HEALTH TRUST FUND.** The  
22 estimated income line items in subdivisions 1 and 2 of section 1 of this Act includes the sum of  
23 \$22,967,500 from the community health trust fund for the following purposes:

- 24 1. The sum of \$20,400,000 for the child support computer replacement project;
- 25 2. The sum of \$1,867,500 for the 988 crisis hotline program; and
- 26 3. The sum of \$700,000 for costs to implement the cross-disability advisory council.

27 **SECTION 11. ESTIMATED INCOME - HEALTH CARE TRUST FUND.** The estimated  
28 income line item in subdivision 2 of section 1 of this Act includes the sum of \$500,000 from the  
29 health care trust fund for basic care facility bad debt expense.

1       **SECTION 12. ESTIMATED INCOME - FEDERAL STATE FISCAL RECOVERY FUND.** The  
2 estimated income line items in subdivisions 2 and 3 of section 1 of this Act includes the sum of  
3 \$3,235,000 from the federal state fiscal recovery fund for the following purposes:

- 4       1. The sum of \$2,650,000 to implement a virtual behavioral health crisis care program for  
5 rural law enforcement;
- 6       2. The sum of \$300,000 for crisis organizations that provide crisis services to young  
7 adults who are at risk of being homeless or experiencing other serious adverse life  
8 events. After July 1, 2024, this funding may be provided only to organizations that are  
9 certified in services provided by the organization; and
- 10      3. The sum of \$285,000 for grants to volunteer-based ecumenical ministry organizations.

11       **SECTION 13. ESTIMATED INCOME - STRATEGIC INVESTMENT AND IMPROVEMENTS**  
12 **FUND.** The estimated income line item in subdivision 5 of section 1 of this Act includes the sum  
13 of \$25,235,154 from the strategic investment and improvements fund for the following  
14 purposes:

- 15      1. The sum of \$11,000,000 for the procurement and grants management system;
- 16      2. The sum of \$12,500,000 for the design of a new state hospital;
- 17      3. The sum of \$1,000,000 for pregnant and parenting women residential facilities; and
- 18      4. The sum of \$735,154 for projects at the southeast human service center.

19       **SECTION 14. BEHAVIORAL HEALTH FACILITY GRANTS.** Section 1 of this Act includes  
20 the sum of \$1,950,000 from the general fund for the purpose of providing a one-time behavioral  
21 health facility grant to establish a behavioral health facility in the northwest human service  
22 center region, for the period beginning with the effective date of this Act and ending June 30,  
23 2025. The department of health and human services shall provide a grant as follows:

- 24      1. The grant recipient must provide matching funds of \$1,750,000 to establish the facility.
- 25      2. The grant term must be for five years.
- 26      3. The requirements of chapter 54-44.4 do not apply to the selection of a grant recipient,  
27 the grant award, or payments made under this section.
- 28      4. To receive the grant, the behavioral health facility shall:
  - 29          a. Submit an application in the form and manner prescribed by the department;
  - 30          b. Enter into a grant agreement with the department;

- 1           c. Use grant funds to support the provision of behavioral health in the grant award
- 2           service areas;
- 3           d. Provide and disclose information needed to comply with the department's data
- 4           collection requirements; and
- 5           e. Operate in compliance with grant requirements.
- 6        5. The department may recapture grant funds distributed to a grant recipient found by the
- 7        department to be out of compliance with the requirements established by the grant
- 8        program, including ending or reducing the operation of the behavioral health facility in
- 9        the service area.
- 10       6. The department may not collect property, equipment, or supplies purchased with grant
- 11       funds from the grant recipient after successful completion of the terms of the grant.

12        **SECTION 15. CAPITAL PAYMENTS.** During the biennium beginning July 1, 2023, and  
13 ending June 30, 2025, the department of health and human services is authorized to expend  
14 funds for the payment of special assessments at the state hospital, southeast human service  
15 center, and life skills and transition center. Pursuant to section 5 of this Act, the director of the  
16 office of management and budget may transfer appropriation authority between line items within  
17 subdivisions 1, 2, and 3 of section 1 of this Act, section 1 of House Bill No. 1004, and any  
18 remaining appropriation authority for the department of health and human services approved by  
19 the sixty-eighth legislative assembly. The department may transfer funds for the payment of  
20 special assessments at the state hospital, southeast human service center, and life skills and  
21 transition center ahead of the special assessments schedule. Notwithstanding section 54-27-12,  
22 the department may spend funds for the payment of special assessments at the state hospital  
23 and life skills and transition center.

24        **SECTION 16. CAPITAL PROJECTS - EMERGENCY COMMISSION APPROVAL.** During  
25 the biennium beginning July 1, 2023, and ending June 30, 2025, the department of health and  
26 human services is authorized to proceed with the demolition of the administrative building and  
27 employee building and associated tunnels at the state hospital. Pursuant to section 5 of this Act,  
28 the director of the office of management and budget may transfer appropriation authority  
29 between line items within subdivisions 1, 2, and 3 of section 1 of this Act, section 1 of House Bill  
30 No. 1004, and any remaining appropriation authority for the department of health and human  
31 services approved by the sixty-eighth legislative assembly. The department may transfer funds



1 for the demolition of the identified buildings and associated tunnels and for emergency capital  
2 projects. Notwithstanding section 54-27-12, the department of health and human services may  
3 spend up to \$5,000,000 for emergency projects under this section and may seek emergency  
4 commission approval to spend more than \$5,000,000 under this section.

5 **SECTION 17. CHILD CARE FINANCIAL ASSISTANCE - DIRECT PAYMENTS.**

6 Subdivision 2 of section 1 of this Act includes the sum of \$1,000,000 for the purpose of financial  
7 assistance and direct payments for child care services for the biennium beginning July 1, 2023,  
8 and ending June 30, 2025. Notwithstanding subsection 3 of section 50-11.1-14.1, the  
9 department may provide financial assistance to beneficiaries related to child care services. The  
10 requirements of chapter 54-44.4 do not apply to this subsection, including the selection of  
11 recipients and the disbursement of funds.

12 **SECTION 18. PERMANENT SUPPORTIVE HOUSING GRANTS.** Subdivision 2 of  
13 section 1 of this Act includes the sum of \$4,672,536 from the general fund for permanent  
14 supportive housing grants. The department of health and human services shall develop a  
15 funding methodology to distribute the funding to qualified entities that utilize best practices for  
16 permanent supportive housing, provide recovery-oriented and person-centered services, submit  
17 process and outcome measures to the department, and authorize the department to conduct  
18 onsite visits to review program operations.

19 **SECTION 19. STATE HOSPITAL PROJECT - COMMUNITY ACUTE PSYCHIATRY -**  
20 **REPORT.** Subdivision 3 of section 1 of this Act includes the sum of \$12,500,000 from the  
21 strategic investment and improvements fund as identified in section 13 of this Act for the design  
22 of a new state hospital. As part of the design process, the department of health and human  
23 services shall consider statewide acute psychiatric needs, including the establishment of acute  
24 psychiatric facilities in Dickinson, Williston, Minot, Devils Lake, and Grand Forks and shall  
25 consider collaborating and entering partnerships with local mental health and substance use  
26 disorder providers. The department shall present a report to the sixty-ninth legislative assembly  
27 regarding options for a new state hospital.

28 **SECTION 20. EXPENDITURES MAY NOT EXCEED APPROPRIATION - MEDICAL**  
29 **ASSISTANCE EXPANSION PROGRAM - APPLICATION.**

30 1. Subdivision 2 of section 1 of this Act includes the sum of \$660,648,280, of which  
31 \$66,064,828 is from the general fund, for the medical assistance expansion program

1 for the biennium beginning July 1, 2023, and ending June 30, 2025. The expenditures  
2 for individuals eligible for the medical assistance expansion program may not exceed  
3 this amount.

4 2. The department of health and human services may exceed appropriations for  
5 increases in medical assistance expansion program caseload, for the addition of  
6 coverage consistent with the traditional Medicaid 1915(i) state plan, utilization rates,  
7 and unwinding of the federal Medicaid continuous enrollment requirement, and  
8 reduction in federal medical assistance percentage.

9 3. The managed care organization under contract with the department to manage the  
10 medical assistance expansion program shall reimburse providers within the same  
11 provider type and specialty at consistent levels and with consistent methodology and  
12 may not provide incentive, quality, or supplemental payments to providers, unless part  
13 of a value-based program approved by the department. The managed care  
14 organization shall reimburse all North Dakota substance use providers of American  
15 society of addiction medicine level 2.5 at consistent levels and with consistent  
16 methodology. The managed care organization may consider urban and rural providers  
17 as different provider types.

18 4. The managed care organization and the department of health and human services  
19 shall ensure payments to Indian or Tribal 638 health care providers, federally qualified  
20 health centers, and rural health clinics meet the federally required minimum levels of  
21 reimbursement. Critical access hospitals may not be paid less than one hundred  
22 percent of Medicare allowable costs and human service centers may not be paid less  
23 than one hundred percent of the current traditional Medicaid rate.

24 5. The department of health and human services shall ensure providers within the same  
25 provider type and specialty are reimbursed at consistent levels and with consistent  
26 methodology and shall ensure the capitation rates under risk contracts are actuarially  
27 sound and are adequate to meet managed care organization contractual requirements  
28 regarding availability of services, assurance of adequate capacity and services, and  
29 coordination and continuity of care.

30 6. Except for the provisions in subsection 4, provider reimbursement rates under the  
31 medical assistance expansion program may not exceed one hundred twenty-five

1 percent of traditional Medicaid reimbursement. Payment rate adjustments shall include  
2 alternative payment arrangements aimed at cost-effective, quality improvement  
3 strategies. This subsection applies to any medical assistance expansion program  
4 provider fee schedule which becomes effective on or after January 1, 2024.

5 **SECTION 21. DEPARTMENT OF HEALTH AND HUMAN SERVICES - PUBLIC AND  
6 PARENTING RESOURCE WEBSITE.** The department of health and human services shall

7 develop and maintain a state internet website that provides information and links to social  
8 services, financial assistance, parenting information, maternal and childbirth life services,  
9 planning guidance, care centers and agencies, and other available public and private resources  
10 for expectant families and new parents. The department may contract with a third party for the  
11 development of the website. The website must be operational by August 1, 2023, and have a  
12 domain name life.nd.gov or a similar domain name. The website must be distinct from the  
13 department's website and the department shall place a clear and conspicuous link to the  
14 website on the department website.

15 **SECTION 22. AMENDMENT.** Section 50-06-42 of the North Dakota Century Code is  
16 amended and reenacted as follows:

17 **50-06-42. Substance use disorder treatment voucher system. (~~Retroactive application~~**  
18 **~~- See note~~)**

19 1. The department shall establish and administer, within the limits of legislative  
20 appropriations, a voucher system to address underserved areas and gaps in the  
21 state's substance abuse treatment system and to assist in the payment of addiction  
22 treatment services provided by licensed substance abuse treatment programs,  
23 excluding regional human service centers; and hospital- or medical clinic-based  
24 programs for medical management of withdrawal, ~~and any institution for mental~~  
25 ~~diseases in accordance with subsection 2.~~ An out-of-state licensed substance abuse  
26 treatment program located within a bordering state may participate in the voucher  
27 program to serve an underserved area of this state pursuant to the rules adopted by  
28 the department. The department shall develop rules to include processes and  
29 requirements for an out-of-state provider to receive reimbursement only for outpatient  
30 and community-based services upon a provider completing an assessment of need  
31 and receiving approval from the department.

1       2. ~~The department shall deny a licensed substance abuse treatment program's~~  
2       ~~substance use disorder treatment voucher system application and deny~~  
3       ~~reimbursement by the substance use disorder treatment voucher system if the~~  
4       ~~licensed substance abuse treatment program is an institution for mental diseases and~~  
5       ~~reimbursement is requested for residential beds added on or after July 1, 2020.~~

6       3. Services eligible for the voucher program include only those levels of care recognized  
7       by the American society of addiction medicine, with particular emphasis given to  
8       underserved areas and programs. The department shall ensure that a licensed  
9       substance abuse treatment program, hospital, and medical clinic program accepting  
10      vouchers collects and reports process and outcome measures.

11      4.3. The department shall develop requirements and provide training and technical  
12      assistance to a licensed substance abuse treatment program, hospital, and medical  
13      clinic program accepting vouchers. A licensed substance abuse treatment program,  
14      hospital, and medical clinic program accepting vouchers shall provide evidence-based  
15      services.

16      5.4. The department shall allocate funding appropriated for the substance use disorder  
17      treatment voucher as follows:  
18      a. No more than forty-five percent of the appropriated amount may be allocated for  
19      residential substance use disorder services administered by licensed substance  
20      abuse treatment programs with more than sixteen beds.  
21      b. The remaining appropriation must be allocated for residential programs with  
22      sixteen or fewer beds, nonresidential outpatient, and ancillary substance use  
23      disorder services administered by licensed substance abuse treatment programs.

24      **SECTION 23. AMENDMENT.** Section 50-01.2-01 of the North Dakota Century Code is  
25      amended and reenacted as follows:

26      **50-01.2-01. Human service zone board - Members - Qualifications.**

27      The board of county commissioners of each county within the human service zone shall  
28      appoint the appointed members of the human service zone board based upon fitness to serve  
29      as members by reason of character, experience, and training without regard to political  
30      affiliation. Appointed members of the human service zone board must consist of local elected  
31      officials and other key community partners, including at least one member of the legislative

1 assembly. If a human service zone consists of two or more counties, each county must be  
2 represented on the human service zone board by only one county commissioner of that county.  
3 If a human service zone consists of a single county, the county must be represented on the  
4 human service zone board by no more than two county commissioners of that county and the  
5 human service zone board must have at least five appointed members. Appointed members  
6 shall elect a vice presiding officer and appoint a secretary, and other officers as the human  
7 service zone board determines necessary. The human service zone director shall serve as  
8 presiding officer of the human service zone board as a nonappointed member.

9 **SECTION 24.** A new section to chapter 50-06 of the North Dakota Century Code is created  
10 and enacted as follows:

11 **North Dakota legislative health care task force - Duties - Membership - Legislative**  
12 **management report.**

13 There is created a North Dakota legislative health care task force. The task force shall meet  
14 at least once each quarter and may request, obtain, review, and analyze information relating to  
15 North Dakota health care, including data, reports, audits, and other information as requested by  
16 the task force. The task force shall submit a report of its activities and any recommendations to  
17 improve health care in the state to the legislative management by October first of each year.  
18 The chairman of the task force must be a member of the legislative assembly as selected by the  
19 task force. The task force consists of the following members:

- 20 1. The chairman of the house appropriations committee human resources division, or the  
21 chairman's designee;
- 22 2. The chairman of the senate appropriations committee human resources division, or  
23 the chairman's designee;
- 24 3. The chairman of the house human services committee, or the chairman's designee;
- 25 4. The chairman of the senate human services committee, or the chairman's designee;
- 26 5. One member of the house of representatives as appointed by the house minority  
27 leader;
- 28 6. One member of the senate as appointed by the senate minority leader;
- 29 7. The commissioner of the department of health and human services, or the  
30 commissioner's designee;

- 1       8. Two members of the department of health and human services as appointed by the
- 2           commissioner of the department of health and human services;
- 3       9. One member from the governor's office appointed by the governor;
- 4       10. The insurance commissioner or the insurance commissioner's designee;
- 5       11. Two members to represent the North Dakota health insurance industry;
- 6       12. One member of the public appointed by an organization that represents North Dakota
- 7           businesses;
- 8       13. One member appointed by the Indian affairs commissioner to represent tribal health
- 9           care;
- 10      14. One member from a North Dakota association that represents physicians; and
- 11      15. Five members from a North Dakota association that represents hospitals, of which:
- 12          a. Two members must represent rural hospitals, including one representative of a
- 13            hospital in a city with a population of ten thousand or more and one
- 14            representative of a hospital in a city with a population under ten thousand;
- 15          b. Two members must represent urban hospitals, including one representative of an
- 16            independent hospital and one representative of an integrated health care system;
- 17            and
- 18          c. One member must represent a psychiatric hospital.

19       **SECTION 25. AMENDMENT.** Section 50-11.1-02 of the North Dakota Century Code is  
20 amended and reenacted as follows:

21       **50-11.1-02. Definitions. (~~Effective through June 30, 2025~~)**

22       **As used in this chapter, unless the context or subject matter otherwise requires:**

- 23       1. "Authorized agent" means the human service zone, unless another entity is
- 24           designated by the department.
- 25       2. "Child care center" means an early childhood program licensed to provide early
- 26           childhood services to nineteen or more children.
- 27       3. "Department" means the department of health and human services.
- 28       4. "Drop-in care" means the care of children on a one-time, occasional, or unscheduled
- 29           basis to meet the short-term needs of families.

- 1           5. "Early childhood program" means any program licensed under this chapter where  
2           early childhood services are provided for at least two hours a day for three or more  
3           days a week.
- 4           6. "Early childhood services" means the care, supervision, education, or guidance of a  
5           child or children, which is provided in exchange for money, goods, or other services.  
6           Early childhood services does not include:
- 7           a. Substitute parental child care provided pursuant to chapter 50-11.  
8           b. Child care provided in any educational facility, whether public or private, in grade  
9           one or above.
- 10          c. Child care provided in a kindergarten which has been established pursuant to  
11          chapter 15.1-22 or a nonpublic elementary school program approved pursuant to  
12          section 15.1-06-06.1.
- 13          d. Child care, preschool, and prekindergarten services provided to children under  
14          six years of age in any educational facility through a program approved by the  
15          department.
- 16          e. Child care provided in facilities operated in connection with a church, business, or  
17          organization where children are cared for during periods of time not exceeding  
18          four continuous hours while the child's parent is attending church services or is  
19          engaged in other activities, on the premises.
- 20          f. Schools or classes for religious instruction conducted by religious orders during  
21          the summer months for not more than two weeks, Sunday schools, weekly  
22          catechism, or other classes for religious instruction.
- 23          g. Summer resident or day camps for children which serve no children under six  
24          years of age for more than two weeks.
- 25          h. Sporting events, practices for sporting events, or sporting or physical activities  
26          conducted under the supervision of an adult.
- 27          i. Head start and early head start programs that are federally funded and meet  
28          federal head start performance standards.
- 29          j. Child care provided in a medical facility by medical personnel to children who are  
30          ill.

- 1       7. "Family child care" means a private residence licensed to provide early childhood  
2       services for no more than seven children at any one time, except that the term  
3       includes a residence licensed to provide early childhood services to two additional  
4       school-age children.
- 5       8. "Four-year old program" means an approved child care program operated by a public  
6       or private educational entity or an early childhood program designed to serve four-year  
7       olds.
- 8       9. "Group child care" means a child care program licensed to provide early childhood  
9       services for thirty or fewer children.
- 10      10. "Household member" means an adult living in the private residence out of which a  
11      program is operated, regardless of whether the adult is living there permanently or  
12      temporarily.
- 13      11. "Human service zone" means a county or consolidated group of counties  
14      administering human services within a designated area in accordance with an  
15      agreement or plan approved by the department.
- 16      12. "In-home provider" means any person who provides early childhood services to  
17      children in the children's home.
- 18      13. "Licensed" means an early childhood program has the rights, authority, or permission  
19      granted by the department to operate and provide early childhood services.
- 20      14. "Multiple licensed program" means an early childhood program licensed to provide  
21      more than one type of early childhood services.
- 22      15. "Owner" or "operator" means the person who has legal responsibility for the early  
23      childhood program and premises.
- 24      16. "Parent" means an individual with the legal relationship of father or mother to a child or  
25      an individual who legally stands in place of a father or mother, including a legal  
26      guardian or custodian.
- 27      17. "Premises" means the indoor and outdoor areas approved for providing early  
28      childhood services.
- 29      18. "Preschool" means a program licensed to offer early childhood services, which follows  
30      a preschool curriculum and course of study designed primarily to enhance the



1 educational development of the children enrolled and which serves no child for more  
2 than three hours per day.

3 19. "Public approval" means a nonlicensed early childhood program operated by a  
4 government entity that has self-certified that the program complies with this chapter.

5 20. "Registrant" means the holder of an in-home provider registration document issued by  
6 the department in accordance with this chapter.

7 21. "Registration" means the process whereby the department maintains a record of all  
8 in-home providers who have stated that they have complied or will comply with the  
9 prescribed standards and adopted rules.

10 22. "Registration document" means a written instrument issued by the department to  
11 publicly document that the registrant has complied with this chapter and the applicable  
12 rules and standards as prescribed by the department.

13 23. "School-age child care" means a child care program licensed to provide early  
14 childhood services on a regular basis for nineteen or more children aged five years  
15 through eleven years.

16 24. "School-age children" means children served under this chapter who are at least five  
17 years but less than twelve years of age.

18 25. "Self-declaration" means voluntary documentation of an individual providing early  
19 childhood services in a private residence for up to five children through the age of  
20 eleven, of which no more than three may be under the age of twenty-four months.

21 26. "Staff member" means an individual:

22 a. Who is an employee of an early childhood program or of an early childhood  
23 services provider under a self-declaration;

24 b. Whose activities involve the care, supervision, or guidance of children of an early  
25 childhood program; or

26 c. Who may have unsupervised access to children under the care, supervision, or  
27 guidance of an early childhood program or early childhood services provider  
28 under a self-declaration.

29 **Definitions. (~~Effective after June 30, 2025~~)**

30 As used in this chapter, unless the context or subject matter otherwise requires:

- 1        1. ~~"Authorized agent" means the human service zone, unless another entity is~~  
2            ~~designated by the department.~~
- 3        2. ~~"Child care center" means an early childhood program licensed to provide early~~  
4            ~~childhood services to nineteen or more children.~~
- 5        3. ~~"Department" means the department of health and human services.~~
- 6        4. ~~"Drop-in care" means the care of children on a one-time, occasional, or unscheduled~~  
7            ~~basis to meet the short-term needs of families.~~
- 8        5. ~~"Early childhood program" means any program licensed under this chapter where~~  
9            ~~early childhood services are provided for at least two hours a day for three or more~~  
10           ~~days a week.~~
- 11       6. ~~"Early childhood services" means the care, supervision, education, or guidance of a~~  
12           ~~child or children, which is provided in exchange for money, goods, or other services.~~  
13           ~~Early childhood services does not include:~~
  - 14           a. ~~Substitute parental child care provided pursuant to chapter 50-11.~~
  - 15           b. ~~Child care provided in any educational facility, whether public or private, in grade~~  
16             ~~one or above.~~
  - 17           c. ~~Child care provided in a kindergarten which has been established pursuant to~~  
18             ~~chapter 15.1-22 or a nonpublic elementary school program approved pursuant to~~  
19             ~~section 15.1-06-06.1.~~
  - 20           d. ~~Child care, preschool, and prekindergarten services provided to children under~~  
21             ~~six years of age in any educational facility through a program approved by the~~  
22             ~~department.~~
  - 23           e. ~~Child care provided in facilities operated in connection with a church, business, or~~  
24             ~~organization where children are cared for during periods of time not exceeding~~  
25             ~~four continuous hours while the child's parent is attending church services or is~~  
26             ~~engaged in other activities, on the premises.~~
  - 27           f. ~~Schools or classes for religious instruction conducted by religious orders during~~  
28             ~~the summer months for not more than two weeks, Sunday schools, weekly~~  
29             ~~catechism, or other classes for religious instruction.~~
  - 30           g. ~~Summer resident or day camps for children which serve no children under six~~  
31             ~~years of age for more than two weeks.~~

- 1           h.   Sporting events, practices for sporting events, or sporting or physical activities-  
2           conducted under the supervision of an adult.
- 3           i.   Head start and early head start programs that are federally funded and meet  
4           federal head start performance standards.
- 5           j.   Child care provided in a medical facility by medical personnel to children who are  
6           ill.
- 7        7.   "Family child care" means a private residence licensed to provide early childhood  
8        services for no more than seven children at any one time, except that the term  
9        includes a residence licensed to provide early childhood services to two additional  
10       school-age children.
- 11       8.   "Group child care" means a child care program licensed to provide early childhood  
12       services for thirty or fewer children.
- 13       9.   "Household member" means an adult living in the private residence out of which a  
14       program is operated, regardless of whether the adult is living there permanently or  
15       temporarily.
- 16       10.  "Human service zone" means a county or consolidated group of counties  
17       administering human services within a designated area in accordance with an  
18       agreement or plan approved by the department.
- 19       11.  "In-home provider" means any person who provides early childhood services to  
20       children in the children's home.
- 21       12.  "Licensed" means an early childhood program has the rights, authority, or permission  
22       granted by the department to operate and provide early childhood services.
- 23       13.  "Multiple licensed program" means an early childhood program licensed to provide  
24       more than one type of early childhood services.
- 25       14.  "Owner" or "operator" means the person who has legal responsibility for the early  
26       childhood program and premises.
- 27       15.  "Parent" means an individual with the legal relationship of father or mother to a child or  
28       an individual who legally stands in place of a father or mother, including a legal  
29       guardian or custodian.
- 30       16.  "Premises" means the indoor and outdoor areas approved for providing early  
31       childhood services.

- 1        17.    ~~"Preschool" means a program licensed to offer early childhood services, which follows~~  
2        ~~a preschool curriculum and course of study designed primarily to enhance the~~  
3        ~~educational development of the children enrolled and which serves no child for more~~  
4        ~~than three hours per day.~~
- 5        18.    ~~"Public approval" means a nonlicensed early childhood program operated by a~~  
6        ~~government entity that has self-certified that the program complies with this chapter.~~
- 7        19.    ~~"Registrant" means the holder of an in-home provider registration document issued by~~  
8        ~~the department in accordance with this chapter.~~
- 9        20.    ~~"Registration" means the process whereby the department maintains a record of all~~  
10       ~~in-home providers who have stated that they have complied or will comply with the~~  
11       ~~prescribed standards and adopted rules.~~
- 12       21.    ~~"Registration document" means a written instrument issued by the department to~~  
13       ~~publicly document that the registrant has complied with this chapter and the applicable~~  
14       ~~rules and standards as prescribed by the department.~~
- 15       22.    ~~"School-age child care" means a child care program licensed to provide early~~  
16       ~~childhood services on a regular basis for nineteen or more children aged five years~~  
17       ~~through eleven years.~~
- 18       23.    ~~"School-age children" means children served under this chapter who are at least five~~  
19       ~~years but less than twelve years of age.~~
- 20       24.    ~~"Self-declaration" means voluntary documentation of an individual providing early~~  
21       ~~childhood services in a private residence for up to five children through the age of~~  
22       ~~eleven, of which no more than three may be under the age of twenty-four months.~~
- 23       25.    ~~"Staff member" means an individual:~~
- 24       ~~a.    Who is an employee of an early childhood program or of an early childhood~~  
25       ~~services provider under a self-declaration;~~
- 26       ~~b.    Whose activities involve the care, supervision, or guidance of children of an early~~  
27       ~~childhood program; or~~
- 28       ~~c.    Who may have unsupervised access to children under the care, supervision, or~~  
29       ~~guidance of an early childhood program or early childhood services provider~~  
30       ~~under a self-declaration.~~

1       **SECTION 26. AMENDMENT.** Section 50-11.1-22 of the North Dakota Century Code is  
2 amended and reenacted as follows:

3       **50-11.1-22. Early childhood grant for best in class four-year old experiences. (~~Expired-~~**  
4 **~~effective July 1, 2025~~)**

- 5       1. A four-year old program deemed eligible under section 50-11.1-23 may submit an  
6 application for the best in class four-year old experiences grant. An approved program  
7 is eligible for an annual award of one hundred twenty thousand dollars per approved  
8 group size. The grant award must be matched with no less than twenty thousand  
9 dollars in other funds. The department shall assign a program support coach to each  
10 approved program. An approved program:
- 11       a. Shall utilize the assigned support coach and utilize the sliding fee scale for parent  
12 fees, as established by the department.
  - 13       b. May use grant funds to support the provision of quality early childhood  
14 experiences, including expenditures related to staffing, training, equipment, and  
15 supplies.
  - 16       c. May not use grant funds for construction or rehabilitation. An approved program  
17 must enter a grant agreement with the department.
- 18       2. The department may not collect equipment or supplies purchased with grant funds  
19 from the approved program after successful completion of the term of the grant.

20       **SECTION 27. AMENDMENT.** Section 50-11.1-23 of the North Dakota Century Code is  
21 amended and reenacted as follows:

22       **50-11.1-23. Eligibility for best in class four-year old experiences grant. (~~Expired-~~**  
23 **~~effective July 1, 2025~~)**

- 24       1. A four-year old program may submit, in the form and manner prescribed by the  
25 department, an application to the department for a grant under section 50-11.1-22, if  
26 the provider certifies to the department the provider:
- 27       a. Operates a four-year old program in this state;
  - 28       b. Operates a four-year old program for children who have reached four years of  
29 age before August first in the year of enrollment;
  - 30       c. Operates a four-year old program that has a duration of at least four hundred  
31 hours over a period of at least thirty-two consecutive weeks;

- 1 d. Incorporates within the four-year old program at least ten hours of
- 2 research-based family engagement;
- 3 e. Has been determined to meet the standards and expectations of no less than
- 4 step three in the North Dakota early childhood quality improvement system;
- 5 f. Is willing to admit children of all learning abilities into the four-year old program;
- 6 g. Is willing to admit children who receive assistance from the child care assistance
- 7 program into the four-year old program; and
- 8 h. Is willing to operate in compliance with the grant requirements, including:
  - 9 (1) Maintaining the recommended group size for number of children served in
  - 10 the four-year old program;
  - 11 (2) Complying with requirements related to qualifications, training, and
  - 12 professional development of staff delivering services in the four-year old
  - 13 program; and
  - 14 (3) Adhering to expectations established by the department related to four-year
  - 15 old program monitoring and oversight.
- 16 2. The department may distribute grants under this section to approved four-year old
- 17 programs, including four-year old programs operated as early childhood programs by
- 18 educational facilities or federally funded head start programs or in connection with a
- 19 church, business, or organization that operates a four-year old program.
- 20 3. The department may recapture grant funds distributed to an approved four-year old
- 21 program found by the department to be out of compliance with requirements
- 22 established for the best in class four-year old experiences grant program.

23 **SECTION 28. AMENDMENT.** Section 50-11.1-24 of the North Dakota Century Code is  
24 amended and reenacted as follows:

25 **50-11.1-24. Grant program data collection - Requirements. (~~Expired effective July 1,~~**  
26 **2025)**

27 The state agency with approval authority over four-year old programs, with the advice and  
28 consent of the department, shall implement a uniform system for the accounting, budgeting, and  
29 reporting of data by any four-year old program provider to whom or to which grants are  
30 distributed under section 50-11.1-23. Grants may be withheld or forfeited, in whole or in part, if  
31 information required in accordance with this section is not submitted at the time or in the

1 manner requested by the state agency with approval authority over four-year old programs. A  
2 grant recipient shall consent to provide information needed to comply with data collection  
3 requirements. The state agency with approval authority over four-year old programs shall  
4 disclose the requested information to the department.

5 **SECTION 29.** A new subsection to section 50-24.1-07 of the North Dakota Century Code is  
6 created and enacted as follows:

7 In any probate proceedings in which the department has filed a claim under this  
8 section, no additional evidence of foundation may be required for the admission of the  
9 department's payment record supporting the department's claim if the payment record  
10 is certified as a true copy and bears the signature of a representative of the  
11 department. There is a rebuttable presumption that the amount of medical assistance  
12 on the claim was incurred and paid on behalf of the recipient of medical assistance  
13 and is an allowable claim.

14 **SECTION 30. AMENDMENT.** Section 50-24.1-26 of the North Dakota Century Code is  
15 amended and reenacted as follows:

16 **50-24.1-26. Medicaid waivers - In-home services.**

17 The department shall administer Medicaid waivers to provide in-home services to children  
18 with extraordinary medical needs and to children up to the age of ~~sixteen~~eighteen diagnosed  
19 with an autism spectrum disorder who would otherwise meet institutional level of care. The  
20 department may prioritize applicants for the waiver for children with extraordinary medical  
21 needs by degree of need.

22 **SECTION 31. AMENDMENT.** Subsection 5 of section 50-24.1-37 of the North Dakota  
23 Century Code is amended and reenacted as follows:

24 5. Provider and managed care organization reimbursement rate information received or  
25 held by the department under this section is an open record.

26 **SECTION 32. AMENDMENT.** Section 50-24.5-02.3 of the North Dakota Century Code is  
27 amended and reenacted as follows:

28 **50-24.5-02.3. Basic care payment rates.**

29 1. The department shall ~~establish, by rule, procedures for determining rates~~determine  
30 limits for the care of residents of basic care facilities that qualify as vendors of an  
31 aged, blind, and disabled persons program and for implementing provisions of this

- 1           chapter. ~~The procedures must be based on methods and standards that the~~  
2           ~~department finds are adequate to recognize the~~data demonstrating the most recent  
3           costs that must be incurred for the care of residents in efficiently and economically  
4           operated basic care facilities. The department shall determine the limits every four  
5           years by July first, beginning with July 1, 2023.
- 6           2. ~~The department shall identify costs that are recognized for establishing payment~~  
7           ~~rates~~establish the limits by using the median rates from the most recent data available.  
8           The direct care limit must be the median plus eighteen percent. The indirect care limit  
9           must be the median plus twelve percent.
- 10          3. ~~For the rate year beginning July 1, 2016~~2023, the department shall establish the limits  
11          ~~by using the average of the highest and lowest rates from the 2014 rate year. The~~  
12          ~~direct care limit must be ninety-five percent of the average and the indirect care limit~~  
13          ~~must be ninety percent of the average. Beginning with the July 1, 2017, rate year, the~~  
14          ~~department shall adjust the limits by using the cost percentage change from the prior~~  
15          ~~two rate years, within the limits of legislative appropriations~~increase rates and limits  
16          two percent for inflation. For the rate year beginning July 1, 2024, the department shall  
17          increase rates and limits two percent for inflation.
- 18          4. The department shall provide, by rule, within the limits of legislative appropriations, for  
19          payment of rates paid by the aged, blind, and disabled persons program for a  
20          maximum of thirty days per occurrence for leave days for a resident who is in a  
21          licensed health care facility when the resident is expected to return to the facility.
- 22          5. Within the limits of legislative appropriations, the department shall establish an  
23          uncompensated care expense of ~~one hundred eighty~~three hundred sixty-five days.

24          **SECTION 33. AMENDMENT.** Section 50-29-04 of the North Dakota Century Code is  
25          amended and reenacted as follows:

26          **50-29-04. Plan requirements.**

27          The plan:

- 28          1. Must be consistent with coverage provided to children eligible for medical assistance  
29          in the state; and  
30          2. Must provide:



- 1           a. A modified adjusted gross income eligibility limit of ~~one~~two hundred  
2                    ~~seventy-five~~ten percent of the poverty line; and
- 3           b. Current eligibility may be established from the first day of the month in which the  
4                    application was received. Retroactive eligibility may be established for the three  
5                    calendar months that immediately preceded the month in which the application  
6                    was received even if there is no eligibility in the month of application. Eligibility  
7                    can be established if all factors of eligibility are met during each month.

8           **SECTION 34. REPEAL.** Section 50-06-32.1 of the North Dakota Century Code is repealed.

9           **SECTION 35. BUILDING PROJECT - LEASE.** The department of health and human  
10           services is authorized to enter into agreements with vendors to build two buildings for the  
11           department to lease for the lake region human service center and northwest human service  
12           center for the biennium beginning July 1, 2023, and ending June 30, 2025.

13           **SECTION 36. LEASE OF LAND - STATE HOSPITAL.** The department of health and  
14           human services and national guard may enter an agreement to lease up to twenty acres of real  
15           property associated with the state hospital for the national guard to construct a new training and  
16           storage facility.

17           **SECTION 37. PROVIDER PROCESS AND OUTCOME MEASURES.** Providers that  
18           receive funding from the department of health and human services shall submit process and  
19           outcome measures, as required by the department, to the department for programs and  
20           services supported by state funding during the biennium beginning July 1, 2023, and ending  
21           June 30, 2025, for the department to evaluate the administration of the programs and services  
22           using the appropriation for the program or service.

23           **SECTION 38. HUMAN SERVICE CENTERS - CERTIFIED COMMUNITY BEHAVIORAL**  
24           **HEALTH CLINICS.** Beginning with the effective date of this Act, the department of health and  
25           human services shall select one human service center to begin the process of becoming a  
26           certified community behavioral health clinic to provide continuous community-based behavioral  
27           health services for children and adults. The department shall pursue additional federal funding  
28           as available. The department may consider the inclusion of providers of integrated, wraparound  
29           crisis services to young adults, who are at risk of being homeless or experiencing serious  
30           adverse life events, into the creation of any certified community behavioral health clinic.

1       **SECTION 39. EXEMPTION - UNEXPENDED APPROPRIATIONS.** The following  
2 appropriations are not subject to the provisions of section 54-44.1-11 and may be continued into  
3 the biennium beginning July 1, 2023, and ending June 30, 2025:

- 4       1. The sum of \$750,000 appropriated from the general fund for suicide prevention grants  
5       in chapter 37 of the 2019 Session Laws;
- 6       2. The sum of \$1,776,000 appropriated from the strategic investment and improvements  
7       fund and the sum of \$5,328,000 appropriated from federal funds for the Medicaid  
8       management information system technology stack upgrade in chapter 37 of the 2019  
9       Session Laws;
- 10      3. The sum of \$600,000 appropriated from the general fund and the sum of \$1,800,000  
11      appropriated from federal funds for the Medicaid management information system  
12      technology stack upgrade in chapter 12 of the 2021 Session Laws;
- 13      4. The sum of \$4,326,686 appropriated from the general fund and the sum of  
14      \$30,673,314 appropriated from federal funds for the Medicaid management  
15      information system modularization technology project in chapter 12 of the 2021  
16      Session Laws;
- 17      5. Any amounts appropriated to the department of health and human services in  
18      chapter 549 of the 2021 Special Session Session Laws;
- 19      6. Any amounts appropriated to the department of health and human services in  
20      chapter 550 of the 2021 Special Session Session Laws;
- 21      7. Any amounts appropriated to the department of health and human services for  
22      COVID-19 relief in chapters 27 and 28 of the 2021 Session Laws;
- 23      8. The amount appropriated for the modification of the department of human services'  
24      eligibility systems in chapter 578 of the 2011 Special Session Session Laws which was  
25      continued into the 2013-15 biennium, then the 2015-17 biennium, then the 2017-19  
26      biennium, then the 2019-21 biennium, and then 2021-23 biennium;
- 27      9. The sum of \$2,000,000 appropriated for substance use disorder voucher system  
28      grants in chapter 12 of the 2021 Session Laws which may be continued and spent  
29      pursuant to section 50-06-42.1; and

1        10.    The sum of \$15,000,000 appropriated from the general fund and the sum of  
2                \$15,000,000 appropriated from federal funds for the child welfare technology project in  
3                chapter 12 of the 2021 Session Laws.

4        **SECTION 40. EXEMPTION - EARLY CHILDHOOD INFORMATION SYSTEM.** The  
5 requirements of chapter 54-44.4 do not apply to the selection of a vendor, the procurement  
6 award, or payments made under this section regarding an early childhood workforce and  
7 professional development information system or an early childhood resource and referral  
8 information system for the biennium beginning July 1, 2023, and ending June 30, 2025.

9        **SECTION 41. EXEMPTION - PURCHASE OF CONSUMABLES.** The requirements of  
10 chapter 54-44.4 do not apply to the purchase of consumables at the department of health and  
11 human services continuously staffed residential units during low-census time periods for the  
12 biennium beginning July 1, 2023, and ending June 30, 2025.

13        **SECTION 42. LEGISLATIVE INTENT - UTILIZATION RATE ADJUSTMENT.** It is the intent  
14 of the sixty-eighth legislative assembly that the department of health and human services seeks  
15 a deficiency appropriation from the sixty-ninth legislative assembly for any expenditures that  
16 exceed appropriated amounts as a result of underfunding, utilization rates, discontinuation of  
17 the federal Medicaid continuous enrollment requirement, value-based purchasing for nursing  
18 facilities, reduction in federal medical assistance percentage, and unexpected contract cost  
19 increases that exceed ten percent, during the biennium beginning July 1, 2023, and ending  
20 June 30, 2025, if funding is not sufficient to pay actual expenses.

21        **SECTION 43. LEGISLATIVE INTENT - PROVIDER RATE INCREASE.** Except as  
22 otherwise noted, section 1 of this Act includes funding for human service provider inflation  
23 increases of two percent for each year of the biennium beginning July 1, 2023, and ending  
24 June 30, 2025. Section 1 of this Act includes funding for developmental disability service  
25 payment inflation increases of three percent each year of the biennium beginning July 1, 2023,  
26 and ending June 30, 2025. The provider inflation increase in this section does not apply to  
27 nursing facilities or prospective payment system hospitals.

28        **SECTION 44. FEDERAL FUNDING APPEAL LIMITATION.** Except as otherwise  
29 specifically provided by federal law, a person may not appeal a denial, revocation, reduction in  
30 services or payment, or the termination of a program or service by the department of health and  
31 human services due to the unavailability of federal coronavirus funding received under federal

1 law resulting from the federal coronavirus pandemic emergency declaration for the biennium  
2 beginning July 1, 2023, and ending June 30, 2025.

3 **SECTION 45. LEGISLATIVE MANAGEMENT STUDY - EARLY CHILDHOOD**

4 **PROGRAMS AND SERVICES.** During the 2023-24 interim, the legislative management shall  
5 consider studying the early child care programs and child care services to identify major needs  
6 and systemic approaches to stabilize child care infrastructure. The legislative management shall  
7 report its findings and recommendations, together with any legislation required to implement the  
8 recommendations, to the sixty-ninth legislative assembly.

9 **SECTION 46. LEGISLATIVE MANAGEMENT STUDY - SOCIAL WORK LICENSURE**

10 **COMPACT.** During the 2023-24 interim, the legislative management shall consider studying the  
11 feasibility and desirability of the legislative assembly enacting the social work licensure  
12 compact. The study may include consideration of whether the public and the social work  
13 community support enactment and whether the North Dakota board of social work examiners  
14 has the capacity to participate in the compact. The legislative management shall report its  
15 findings and recommendations, together with any legislation required to implement the  
16 recommendations, to the sixty-ninth legislative assembly.

17 **SECTION 47. LEGISLATIVE MANAGEMENT STUDY - MEDICAID PROVIDER**

18 **REIMBURSEMENT ARRANGEMENTS.** During the 2023-24 interim, the legislative  
19 management shall study the benefits of basing provider reimbursement rates for the Medicaid  
20 program in accordance with a providers performance under established and accepted value-  
21 based care metrics. The legislative management shall report its findings and recommendations,  
22 together with any legislation required to implement the recommendations, to the sixty-ninth  
23 legislative assembly.

24 **SECTION 48. LEGISLATIVE MANAGEMENT REPORT - EARLY CHILDHOOD**

25 **PROGRAMS.** During the 2023-24 interim, the department of health and human services shall  
26 provide reports to the legislative management regarding the status of early childhood programs  
27 managed by the department.

28 **SECTION 49. EFFECTIVE DATE.** Section 34 of this Act becomes effective on January 1,  
29 2024.