

HOUSE BILL NO. 1012

Introduced by

Appropriations Committee

(At the request of the Governor)

1 A BILL for an Act to provide an appropriation for defraying the expenses of the department of
2 human services; and to amend and reenact sections 50-06-29, 50-24.1-02.3, and 50-29-04 of
3 the North Dakota Century Code, relating to the establishment of an aging and disability
4 resource center, the exempt amount of designated pre-need funeral service contracts in
5 considering eligibility for medical assistance, and eligibility under the state children's health
6 insurance program.

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

8 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the
9 funds as may be necessary, are appropriated out of any moneys in the general fund in the state
10 treasury, not otherwise appropriated, and from special funds derived from federal funds and
11 other income, to the department of human services for the purpose of defraying the expenses
12 of its various divisions, for the biennium beginning July 1, 2009, and ending June 30, 2011, as
13 follows:

14 Subdivision 1.

	MANAGEMENT		
		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
18 Salaries and wages	\$11,512,358	\$7,790,774	\$19,303,132
19 Operating expenses	60,110,356	(13,570,832)	46,539,524
20 Capital assets	<u>285</u>	<u>(285)</u>	<u>0</u>
21 Total all funds	\$71,622,999	(\$5,780,343)	\$65,842,656
22 Less estimated income	<u>50,663,834</u>	<u>(14,635,996)</u>	<u>36,027,838</u>
23 Total general fund	\$20,959,165	\$8,855,653	\$29,814,818

24 Subdivision 2.

Sixty-first
Legislative Assembly

PROGRAM AND POLICY				
		Adjustments or		
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>	
4	Salaries and wages	\$25,411,041	\$19,253,918	\$44,664,959
5	Operating expenses	67,811,802	5,439,280	73,251,082
6	Capital assets	399	12,601	13,000
7	Grants	344,019,216	112,946,092	456,965,308
8	Grants - Medical assistance	1,117,187,821	227,633,993	1,344,821,814
9	State administrative	12,488,292	(12,488,292)	0
10	child support	_____	_____	_____
11	Total all funds	\$1,566,918,571	\$352,797,592	\$1,919,716,163
12	Less estimated income	<u>1,126,663,567</u>	<u>248,526,112</u>	<u>1,375,189,679</u>
13	Total general fund	\$440,255,004	\$104,271,480	\$544,526,484

14 Subdivision 3.

15 HUMAN SERVICE CENTERS AND INSTITUTIONS

		Adjustments or		
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>	
18	Northwest human service center	\$7,493,897	\$1,068,230	\$8,562,127
19	Northcentral human service center	16,782,604	4,141,195	20,923,799
20	Lakeregion human service center	9,817,355	1,193,754	11,011,109
21	Northeast human service center	22,107,349	4,269,502	26,376,851
22	Southeast human service center	26,061,630	5,959,334	32,020,964
23	Southcentral human service center	14,683,811	1,229,521	15,913,332
24	Westcentral human service center	20,687,272	5,321,661	26,008,933
25	Badlands human service center	9,798,789	1,895,446	11,694,235
26	State hospital	57,391,944	12,609,583	70,001,527
27	Developmental center	<u>46,793,933</u>	<u>7,221,332</u>	<u>54,015,265</u>
28	Total all funds	\$231,618,584	\$44,909,558	\$276,528,142
29	Less estimated income	<u>112,757,229</u>	<u>16,599,670</u>	<u>129,356,899</u>
30	Total general fund	\$118,861,355	\$28,309,888	\$147,171,243

31 Subdivision 4.

1	BILL TOTAL		
2			Adjustments or
3		<u>Base Level</u>	<u>Enhancements</u> <u>Appropriation</u>
4	Grand total general fund	\$580,075,524	\$141,437,021 \$721,512,545
5	Grand total special funds	<u>1,290,084,630</u>	<u>250,489,786</u> <u>1,540,574,416</u>
6	Grand total all funds	\$1,870,160,154	\$391,926,807 \$2,262,086,961
7	Full-time equivalent positions	2223.38	14.00 2237.38

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

SIXTY-SECOND LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixtieth legislative assembly for the 2007-09 biennium and the 2009-11 one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2007-09</u>	<u>2009-11</u>
13 Medicaid management information system project (MMIS)	\$3,643,133	\$0
14 State hospital - Sex offender treatment addition project	3,100,000	0
15 State hospital - Capital improvements	3,062,757	0
16 State hospital - Extraordinary repairs	1,153,500	0
17 Developmental center - Capital improvements	300,000	0
18 Developmental center - Extraordinary repairs	547,092	0
19 Developmental center - Equipment	80,782	0
20 Extraordinary repairs	0	3,943,692
21 Equipment over \$5,000	<u>0</u>	<u>352,606</u>
22 Total general fund	\$11,887,264	\$4,296,298

The 2009-11 one-time funding amounts are not a part of the entity's base budget for the 2011-13 biennium. The department of human services shall report to the appropriations committees of the sixty-second legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 3. FUNDING TRANSFERS - EXCEPTION - AUTHORIZATION.

Notwithstanding section 54-16-04, the department of human services may transfer appropriation authority between line items within each subdivision of section 1 of this Act and between subdivisions within section 1 of this Act for the biennium beginning July 1, 2009, and ending June 30, 2011. The department shall notify the office of management and budget of

1 any transfer made pursuant to this section. The department shall report to the budget section
2 after June 30, 2010, any transfers made in excess of \$50,000 and to the appropriations
3 committees of the sixty-second legislative assembly regarding any transfers made pursuant to
4 this section.

5 **SECTION 4. ESTIMATED INCOME - LIMIT - HEALTH CARE TRUST FUND.** The
6 estimated income line item in subdivision 2 of section 1 of this Act includes \$3,000,000 from the
7 health care trust fund for nursing facilities. The department of human services expenditures
8 from this fund may not exceed this amount for the biennium beginning July 1, 2009, and ending
9 June 30, 2011.

10 **SECTION 5. AMENDMENT.** Section 50-06-29 of the North Dakota Century Code is
11 amended and reenacted as follows:

12 **50-06-29. ~~Application for aging~~ Aging and disability resource center funding.** ~~No~~
13 ~~later than December 31, 2007, the~~ The department of human services shall ~~seek federal funds~~
14 ~~for the planning plan and implementation of~~ implement an aging and disability resource center
15 for the state. The resource center will be a single point of information program at the
16 community level which will help people make informed decisions about the full range of
17 long-term care service and support options, including both institutional and home and
18 community-based care, and which will provide unbiased information and assistance to
19 individuals needing either public or private resources, to professionals seeking assistance on
20 behalf of their clients, and to individuals planning for their future long-term care needs. ~~Upon~~
21 ~~receipt of federal funds, the~~ The department of human services may establish the aging and
22 disability resource center or it may request bids and award a contract for the provision of this
23 service. The duties of the aging and disability resource center must include all duties required
24 ~~to receive federal funds, including by the 2006 amendments to the Older Americans Act [Pub.~~
25 L. 109-365; 120 Stat. 2522; 42 U.S.C. 3001 et seq.], providing information about the full range
26 of long-term care service and support options available in the state to assure that consumers
27 may make informed decisions about their care. The resource center must be free from a
28 conflict of interest which would inappropriately influence or bias the actions of a contractor, staff
29 member, board member, or volunteer of the resource center to limit the information given to a
30 consumer to steer the consumer to services that may also be provided by the resource center.

1 **SECTION 6. AMENDMENT.** Section 50-24.1-02.3 of the North Dakota Century Code
2 is amended and reenacted as follows:

3 **50-24.1-02.3. When designated pre-need funeral service contracts, prepayments,**
4 **or deposits not to be considered in eligibility determination.** In determining eligibility for
5 medical assistance, the department of human services may not consider as an available
6 resource any pre-need funeral service contracts, prepayments, or deposits to a fund which total
7 ~~five~~ seven thousand dollars or less designated by the applicant or recipient as set-aside to pay
8 for the applicant's or recipient's funeral. An applicant or recipient designates a prepayment or
9 deposit for that applicant's or recipient's burial by providing funds that are to be used for the
10 funeral or burial expenses of the applicant or recipient. In addition, the applicant or recipient
11 may designate all or a portion of the three thousand dollar asset limitation for funeral pre-need
12 contracts, prepayments, or deposits. Interest or earnings retained in a funeral fund also may
13 not be considered as an available resource. A pre-need funeral service contract, prepayment,
14 or deposit designated under this section is not a multiple-party account for purposes of chapter
15 30.1-31. No claim for payment of funeral expenses may be made against the estate of a
16 deceased medical assistance recipient except to the extent that funds maintained in
17 accordance with this section total less than ~~five~~ seven thousand dollars.

18 **SECTION 7. AMENDMENT.** Section 50-29-04 of the North Dakota Century Code is
19 amended and reenacted as follows:

20 **50-29-04. Plan requirements.** The plan:

- 21 1. Must be provided through private contracts with insurance carriers;
- 22 2. Must allow conversion to another health insurance policy;
- 23 3. Must be based on an actuarial equivalent of a benchmark plan;
- 24 4. Must incorporate every state-required waiver approved by the federal government;
- 25 5. Must include community-based eligibility outreach services; and
- 26 6. Must provide:
 - 27 a. A net income eligibility limit of ~~one~~ two hundred ~~fifty~~ percent of the poverty
28 line;
 - 29 b. A copayment requirement for each pharmaceutical prescription and for each
30 emergency room visit;
 - 31 c. A deductible for each inpatient hospital visit;

- 1 d. Coverage for:
- 2 (1) Inpatient hospital, medical, and surgical services;
- 3 (2) Outpatient hospital and medical services;
- 4 (3) Psychiatric and substance abuse services;
- 5 (4) Prescription medications;
- 6 (5) Preventive screening services;
- 7 (6) Preventive dental and vision services; and
- 8 (7) Prenatal services; and
- 9 e. A coverage effective date that is the first day of the month, following the date
- 10 of application and determination of eligibility.