SECOND ENGROSSMENT

Sixty-fourth Legislative Assembly of North Dakota

REENGROSSED HOUSE BILL NO. 1359

Introduced by

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percent.

Representatives Kreidt, Hofstad, Kempenich, J. Nelson

Senator Unruh

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

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

- 4 **SECTION 1.** Section 50-24.5-02 of the North Dakota Century Code is created and enacted as follows:
- 6 <u>50-24.5-02. Basic care payment rates.</u>
- The department shall establish, by rule, procedures for determining rates for the care
 of residents of basic care facilities that qualify as vendors of an aged, blind, and
 disabled persons program and for implementing provisions of this chapter. The
 procedures must be based on methods and standards that the department finds are
 adequate to recognize the costs that must be incurred for the care of residents in
 efficiently and economically operated basic care facilities.
 - 2. The department shall identify costs that are recognized for establishing payment rates.
 - 3. The department shall establish limits on actual allowable historical operating cost per diem based on cost reports of allowable operating costs. For the rate year beginning July 1, 2016, the department annually shall establish limits for cost categories using the costs reports submitted by all participating basic care providers for the report year preceding the rate year. The department shall establish the direct care rate limit by taking the highest rate and lowest rate from the cost reports submitted for the report year preceding the rate year, and multiplying the averaged amount by seventy percent. The department shall establish the indirect care rate limit by taking the highest rate and lowest rate from the cost reports submitted for the report year preceding the rate year, and multiplying the averaged amount by seventy

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- 1 4. The department shall provide, by rule, for payment of rates paid by the aged, blind,
- 2 and disabled persons program for a maximum of twenty days per occurrence for leave
- 3 days for a resident who is in a licensed health care facility when the resident is
- 4 <u>expected to return to the facility.</u>