

Sixty-fifth  
Legislative Assembly  
of North Dakota

## ENGROSSED SENATE BILL NO. 2187

Introduced by

Senators J. Lee, Krebsbach, Luick, Heckaman

Representatives Kreidt, Holman

1 A BILL for an Act to amend and reenact section 50-06-37 of the North Dakota Century Code,  
2 relating to developmental disability reimbursements; to provide for a report to the legislative  
3 management; and to provide a contingent effective date.

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

5 **SECTION 1. AMENDMENT.** Section 50-06-37 of the North Dakota Century Code is  
6 amended and reenacted as follows:

7 **50-06-37. Developmental disabilities system reimbursement project.**

8 The department of human services, in conjunction with developmental disabilities service  
9 providers, shall develop a prospective or related payment system with an independent rate  
10 model utilizing the support intensity scale.

- 11 1. The department shall establish a steering committee consisting of representatives  
12 from all interested providers and department representatives. The steering committee  
13 shall guide the development of the new payment system including assisting a  
14 consultant to conceptualize, develop, design, implement, and evaluate a new payment  
15 system.
- 16 2. The department shall contract with a consultant ~~by September 1, 2011,~~ to develop, in  
17 collaboration with the steering committee, the payment system and the resource  
18 allocation model tying funding to support intensity scale assessed needs of clients  
19 aged sixteen and older and to a state-approved assessment that assesses needs of  
20 clients younger than sixteen years of age.
- 21 3. ~~After the prospective or related payment system rates are developed, the new rates~~  
22 ~~must be tested on a sampling of clients and providers, the sample to be determined by~~  
23 ~~the steering committee, allowing sufficient time to capture provider cost, client-realized~~  
24 ~~need, and service provision data. The consultant shall provide the appropriate~~

- 1            ~~sampling number to sufficiently test the rates, types of services, and needs of clients~~  
2            ~~with the intent to include as many providers as fiscally feasible.~~
- 3            4. ~~The department shall contract with a team of support intensity scale assessors by~~  
4            ~~September 1, 2014. The team shall begin assessing immediately the identified client~~  
5            ~~pilot group identified by the consultant contracted in subsection 2.~~
- 6            5. ~~Once testing is complete, the data must be analyzed by the consultant and the~~  
7            ~~consultant shall make any needed rate adjustments, resource allocation modifications,~~  
8            ~~or process assumptions.~~
- 9            6. ~~Beginning in June 2012, the department and the steering committee shall report~~  
10           ~~development activities and status information to an interim legislative committee.~~
- 11           7. ~~Implementation of any system developed under this chapter may not occur before the~~  
12           ~~implementation of the department's new medicaid management information~~  
13           ~~system.~~ The department shall implement the new ratesetting system formulated as a  
14           result of the work effort of the steering committee established under this section.

15           **SECTION 2. REPORT TO LEGISLATIVE MANAGEMENT.** The department of human  
16           services shall continue to meet with the developmental disability ratesetting steering committee  
17           to seek input and assistance throughout the implementation of the ratesetting methodology,  
18           which may include addressing potential client service changes resulting from implementation of  
19           the ratesetting methodology. The department must address the unique and special care needs  
20           of individuals within the developmental disability system through an outlier process. The  
21           department shall provide a report to the legislative management during the 2017-18 interim  
22           regarding the outlier process used and the ratesetting implementation.

23           **SECTION 3. CONTINGENT EFFECTIVE DATE.** This Act becomes effective on the latter of  
24           August 1, 2017, or the date the executive director of the department of human services certifies  
25           to the secretary of state and the legislative council that the centers for medicare and medicaid  
26           services approved section 1 of this Act.