

**FIRST ENGROSSMENT  
with Senate Amendments  
ENGROSSED HOUSE BILL NO. 1012**

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the department of  
2 human services; to provide an appropriation to the state department of health; to create and  
3 enact two new sections to chapter 50-06 and a new section to chapter 50-24.1 of the North  
4 Dakota Century Code, relating to substance use disorder treatment voucher system grants, a  
5 behavioral health bed management system, and medical assistance coverage of interpreter  
6 services; to create and enact a new paragraph to subdivision I of subsection 1 of section  
7 50-11.1-22 of the North Dakota Century Code as created by section 8 of House Bill No. 1416,  
8 as approved by the sixty-seventh legislative assembly, relating to the North Dakota early  
9 childhood council membership; to amend and reenact sections 50-06-42, 50-11.1-14, and  
10 50-24.1-37 of the North Dakota Century Code, relating to the substance use disorder voucher  
11 program, the early childhood workforce development fees, and the Medicaid expansion  
12 program; to repeal section 50-24.1-18.1 of the North Dakota Century Code, relating to  
13 consumer-directed health maintenance services; to provide an exemption; to provide a  
14 statement of legislative intent; to provide for a report; to provide for a study; to provide for a  
15 transfer; to provide for the conveyance of land; to provide an application; to provide for  
16 retroactive application; to provide an effective date; to provide an expiration date; and to declare  
17 an emergency.

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

19 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds  
20 as may be necessary, are appropriated out of any moneys in the general fund in the state  
21 treasury, not otherwise appropriated, and from special funds derived from federal funds and  
22 other income, to the department of human services for the purpose of defraying the expenses of  
23 its various divisions, for the biennium beginning July 1, 2021, and ending June 30, 2023, as  
24 follows:

Sixty-seventh  
Legislative Assembly

1	Subdivision 1.			
2		MANAGEMENT		
3			Adjustments or	
4		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
5	Salaries and wages	\$20,222,500	(\$882,643)	\$19,339,857
6	Operating expenses	134,438,862	85,747,426	220,186,288
7	Capital assets	<u>50,000</u>	<u>25,000</u>	<u>75,000</u>
8	Total all funds	\$154,711,362	\$84,889,783	\$239,601,145
9	Less estimated income	<u>90,021,088</u>	<u>49,909,553</u>	<u>139,930,641</u>
10	Total general fund	\$64,690,274	\$34,980,230	\$99,670,504
11	Subdivision 2.			
12		PROGRAM AND POLICY		
13			Adjustments or	
14		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
15	Salaries and wages	\$68,994,873	\$57,782,440	\$126,777,313
16	Operating expenses	150,961,583	19,170,338	170,131,921
17	Capital assets	10,000	0	10,000
18	Grants	452,041,904	13,963,488	466,005,392
19	Grants - medical assistance	<u>2,742,157,720</u>	<u>315,028,658</u>	<u>3,057,186,378</u>
20	Total all funds	\$3,414,166,080	\$405,944,924	\$3,820,111,004
21	Less estimated income	<u>2,232,568,138</u>	<u>274,026,185</u>	<u>2,506,594,323</u>
22	Total general fund	\$1,181,597,942	\$131,918,739	\$1,313,516,681
23	Subdivision 3.			
24		FIELD SERVICES		
25			Adjustments or	
26		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
27	Human service centers	\$204,701,143	(\$34,812,628)	\$169,888,515
28	Institutions	<u>137,476,480</u>	<u>(3,942,407)</u>	<u>133,534,073</u>
29	Total all funds	\$342,177,623	(\$38,755,035)	\$303,422,588
30	Less estimated income	<u>127,314,955</u>	<u>(13,041,660)</u>	<u>114,273,295</u>
31	Total general fund	\$214,862,668	(\$25,713,375)	\$189,149,293

1 Subdivision 4.

2 COUNTY SOCIAL SERVICE FINANCING

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
4 County social services	\$173,700,000	\$16,217,386	\$189,917,386
6 Total all funds	\$173,700,000	\$16,217,386	\$189,917,386
7 Less estimated income	<u>173,700,000</u>	<u>14,976,995</u>	<u>188,676,995</u>
8 Total general fund	\$0	\$1,240,391	\$1,240,391

9 Subdivision 5.

10 TOTAL - SECTION 1

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
13 Grand total general fund	\$1,461,150,884	\$142,425,985	\$1,603,576,869
14 Grant total special funds	<u>2,623,604,181</u>	<u>325,871,073</u>	<u>2,949,475,254</u>
15 Grant total all funds	\$4,084,755,065	\$468,297,058	\$4,553,052,123
16 Full-time equivalent positions	2,230.23	44.10	2,274.33

17 **SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-**  
 18 **EIGHTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items  
 19 approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the one-time  
 20 funding items included in the appropriation in section 1 of this Act:

	<u>2019-21</u>	<u>2021-23</u>
21 <u>One-Time Funding Description</u>		
22 Technology projects	\$13,785,658	\$67,641,747
23 Capital projects - life skills and transition center	4,277,165	0
24 Capital projects - state hospital	2,493,500	0
25 Capital projects - southeast human service center	0	724,000
26 Life skills and transition center transition costs	0	5,200,000
27 Developmental disabilities provider stabilization grants	0	125,000
28 Medically complex children provider funding	977,603	0
29 Hyperbaric oxygen therapy grant	335,000	0
30 State hospital study	200,000	3,000,000
31 Nursing facility payment methodology	<u>0</u>	<u>7,200,000</u>

1	Total all funds	\$22,068,926	\$83,890,747
2	Less estimated income	<u>20,556,323</u>	<u>56,657,531</u>
3	Total general fund	\$1,512,603	\$27,233,216

4 The 2021-23 biennium one-time funding amounts are not a part of the entity's base budget  
5 for the 2023-25 biennium. The department of human services shall report to the appropriations  
6 committees of the sixty-eighth legislative assembly on the use of this one-time funding for the  
7 biennium beginning July 1, 2021, and ending June 30, 2023.

8 **SECTION 3. APPROPRIATION - 2019-21 BIENNIUM - DEPARTMENT OF HUMAN**  
9 **SERVICES - FIRE PROTECTION AGREEMENTS - EXEMPTION.** There is appropriated out of  
10 any moneys in the department of human services operating fund in the state treasury, not  
11 otherwise appropriated, the sum of \$333,333, or so much of the sum as may be necessary, to  
12 the department of human services for the purpose of providing a grant to a city located in a  
13 county of fewer than 25,000 individuals and provides prevention and extinguishment of fires at  
14 the North Dakota state hospital, for the period beginning with the effective date of this Act and  
15 ending June 30, 2021. The funding appropriated in this section is a one-time funding item. The  
16 requirements of chapter 54-44.4 do not apply to the selection of a grant recipient, the grant  
17 award, or payments made under this section. The department of human services may not enter  
18 any future agreement with a political subdivision for fire protection services.

19 **SECTION 4. APPROPRIATION - STATE DEPARTMENT OF HEALTH.** There is  
20 appropriated out of any moneys in the general fund in the state treasury, not otherwise  
21 appropriated, the sum of \$281,715, or so much of the sum as may be necessary, and the sum  
22 of \$281,715 from special funds derived from grants, donations, and other income, to the state  
23 department of health for the purpose of providing a grant to the task force on the prevention of  
24 sexual abuse of children for staff and programming materials focused on primary prevention  
25 activities, for the biennium beginning July 1, 2021, and ending June 30, 2023.

26 **SECTION 5. FUNDING TRANSFERS - EXEMPTION - AUTHORIZATION - REPORT.**  
27 Notwithstanding section 54-16-04, the director of the office of management and budget shall  
28 transfer appropriation authority between line items within subdivisions 1, 2, and 3 of section 1 of  
29 this Act for the biennium beginning July 1, 2021, and ending June 30, 2023, as requested by the  
30 department of human services. The department of human services shall notify the legislative  
31 council of any transfer made pursuant to this section. The department shall report to the budget

1 section after June 30, 2022, any transfer made in excess of \$50,000 and to the appropriations  
2 committees of the sixty-eighth legislative assembly regarding any transfers made pursuant to  
3 this section.

4 **SECTION 6. FUNDING TRANSFERS - EXEMPTION - AUTHORIZATION - REPORT.**

5 Notwithstanding section 54-16-04, the director of the office of management and budget shall  
6 transfer appropriation authority from line items within subdivisions 1, 2, and 3 of section 1 of this  
7 Act to subdivision 4 of section 1 of this Act for the biennium beginning July 1, 2021, and ending  
8 June 30, 2023, as requested by the department of human services. The department of human  
9 services shall notify the legislative council of any transfer made pursuant to this section. The  
10 department shall report to the budget section after June 30, 2022, any transfer made in excess  
11 of \$50,000 and to the appropriations committees of the sixty-eighth legislative assembly  
12 regarding any transfers made pursuant to this section.

13 **SECTION 7. FULL-TIME EQUIVALENT POSITION - AGING SERVICES - LEGISLATIVE**

14 **INTENT.** Section 1 of this Act includes one full-time equivalent position for the administration of  
15 services resulting from a federal department of justice lawsuit settlement. This position is  
16 authorized only for the biennium beginning July 1, 2021, and ending June 30, 2023, and may  
17 not be included in the department's base budget for the biennium beginning July 1, 2023, and  
18 ending June 30, 2025. It is the intent of the sixty-seventh legislative assembly that future  
19 legislative assemblies retain and exercise unfettered discretion to appropriate funds as they  
20 deem appropriate without regard to the federal department of justice lawsuit settlement.

21 **SECTION 8. ESTIMATED INCOME - HUMAN SERVICE FINANCE FUND.** The estimated  
22 income line item in subdivision 4 of section 1 of this Act includes the sum of \$187,223,092 from  
23 the human service finance fund for state-paid economic assistance and social and human  
24 services.

25 **SECTION 9. ESTIMATED INCOME - COMMUNITY HEALTH TRUST FUND.** The estimated  
26 income line item in subdivision 2 of section 1 of this Act includes the sum of \$24,000,000 from  
27 the community health trust fund for defraying expenses in the medical services division.

28 **SECTION 10. ESTIMATED INCOME - HEALTH CARE TRUST FUND.** The estimated  
29 income line item in subdivision 2 of section 1 of this Act includes the sum of \$1,000,000 from  
30 the health care trust fund and \$1,150,538 from federal funds for nursing facility operating  
31 margin adjustments.

1       **SECTION 11. CAPITAL PAYMENTS.** During the biennium beginning July 1, 2021, and  
2 ending June 30, 2023, the department of human services is authorized to expend funds for the  
3 payment of special assessments at the state hospital and life skills and transition center.

4       **SECTION 12. CAPITAL PROJECTS - EMERGENCY COMMISSION APPROVAL.** During  
5 the biennium beginning July 1, 2021, and ending June 30, 2023, the department of human  
6 services is authorized to proceed with the demolition of the chapel, administrative building, and  
7 employee building and associated tunnels at the state hospital. Pursuant to section 5 of this Act,  
8 the director of the office of management and budget may transfer appropriation authority  
9 between line items within subdivisions 1, 2, and 3 of section 1 of this Act. The department may  
10 transfer funds for the demolition of the identified buildings and associated tunnels and for  
11 emergency capital projects. Notwithstanding section 54-27-12, the department of human  
12 services may spend up to \$5,000,000 for emergency projects under this section and may seek  
13 emergency commission approval to spend more than \$5,000,000 under this section.

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

21       **SECTION 14. EMERGENCY STABILIZATION GRANTS - DEVELOPMENTAL**  
22 **DISABILITIES WAIVER.**

23       1. Subdivision 2 of subsection 1 of this Act includes the sum of \$125,000 from the  
24 general fund for the purpose of providing emergency stabilization grants to  
25 developmental disability in-home support providers to support the sustainability of  
26 newly licensed providers within the developmental disability provider network. To be  
27 eligible to receive an emergency stabilization grant, a licensed developmental  
28 disability in-home support provider must be in operation as of October 1, 2020, with an  
29 initial license date of October 15, 2015, or later, and comply with grant requirements  
30 established by the department of human services. The requirements of chapter

1           54-44.4 do not apply to the selection of a grantee, the grant award, or payments made  
2           under this section.

3           2. The department of human services shall include in-home support providers in future  
4           appendix K applications, to allow eligibility for retainer payments in a manner  
5           equivalent to day support services.

6           **SECTION 15. REFUGEE RESETTLEMENT SERVICES.** Subdivision 2 of section 1 of this  
7 Act includes the sum of \$6,069,408 of federal funds for the refugee resettlement program. The  
8 department of human services shall establish and implement a plan that resettles at least  
9 twenty-five percent of new refugees in locations in the state outside of the three most populous  
10 counties. If the department, in consultation with applicable federal and private placement  
11 agencies, determines the goal of resettling at least twenty-five percent of refugees outside the  
12 three most populous counties is not achievable, the department shall discontinue the  
13 resettlement process for refugees and the federal funds identified in this section may not be  
14 expended for any purpose.

15           **SECTION 16. TRANSITION OF INDIVIDUALS FROM LIFE SKILLS AND TRANSITION**  
16 **CENTER.** Subdivision 2 of section 1 of this Act includes the sum of \$5,200,000 from federal or  
17 other funds made available to the department for the transition of individuals from the life skills  
18 and transition center to community-based providers. To be eligible to receive funding under this  
19 section, a provider must accept an individual who has a regular admission to the life skills and  
20 transition center and is being discharged, must ensure that all service needs are met including  
21 vocational services, and must implement a policy to not decline to provide services in the future  
22 to any individual being served under this section.

23           **SECTION 17. EXPENDITURES MAY NOT EXCEED APPROPRIATION - MEDICAL**  
24 **ASSISTANCE EXPANSION PROGRAM - APPLICATION.**

25           1. Subdivision 2 of section 1 of this Act includes the sum of \$703,317,464, of which  
26           \$80,934,488 is from the general fund, for the medical assistance expansion program  
27           for the biennium beginning July 1, 2021, and ending June 30, 2023. The expenditures  
28           for individuals eligible for the medical assistance expansion program may not exceed  
29           this amount. For purposes of this section:

30           a. Expenditures do not include those made for individuals identified as medically  
31           frail and who receive services through the traditional Medicaid program

- 1 administered by the department of human services for which there is a separate  
2 appropriation of \$10,184,568 included in subdivision 2 of section 1 of this Act.
- 3 b. Expenditures do not include prescription drugs for the medical assistance  
4 expansion program population which is administered by the department of  
5 human services through its fee-for-service Medicaid program for which there is a  
6 separate appropriation of \$29,460,720 included in subdivision 2 of section 1 of  
7 this Act.
- 8 c. Expenditures do not include coverage for individuals ages nineteen and twenty  
9 for the medical assistance expansion program population which is administered  
10 by the department of human services through its fee-for-service Medicaid  
11 program for which there is a separate appropriation of \$12,705,466 included in  
12 subdivision 2 of section 1 of this Act.
- 13 2. The department of human services may exceed appropriations for increases in  
14 medical assistance expansion program caseload and for the addition of coverage  
15 consistent with the traditional Medicaid 1915i state plan.
- 16 3. The managed care organization under contract with the department to manage the  
17 medical assistance expansion program shall reimburse providers within the same  
18 provider type and specialty at consistent levels and with consistent methodology and  
19 may not provide incentive, quality, or supplemental payments to providers, unless part  
20 of a value-based program approved by the department. The managed care  
21 organization may consider urban and rural providers as different provider types.  
22 Critical access hospitals may not be paid less than one hundred percent of Medicare  
23 allowable costs.
- 24 4. The managed care organization and the department of human services shall ensure  
25 payments to Indian or Tribal 638 health care providers, federally qualified health  
26 centers, and rural health clinics meet the federally required minimum levels of  
27 reimbursement.
- 28 5. The department of human services shall ensure providers within the same provider  
29 type and specialty are reimbursed at consistent levels and with consistent  
30 methodology and shall ensure the capitation rates under risk contracts are actuarially  
31 sound and are adequate to meet managed care organization contractual requirements



1 regarding availability of services, assurance of adequate capacity and services, and  
2 coordination and continuity of care.

3 6. The department of human services and the Medicaid expansion managed care  
4 organization shall ensure the appropriate contract amendment is adopted for coverage  
5 through December 31, 2021. The contract amendment shall stay within the  
6 appropriation and the requirements of chapter 54-44.4 do not apply.

7 **SECTION 18. EXPENDITURES MAY NOT EXCEED APPROPRIATION - MEDICAL**  
8 **ASSISTANCE EXPANSION PROGRAM - APPLICATION.**

9 1. Subdivision 2 of section 1 of this Act includes the sum of \$703,317,464, of which  
10 \$80,934,488 is from the general fund, for the medical assistance expansion program  
11 for the biennium beginning July 1, 2021, and ending June 30, 2023. The expenditures  
12 for individuals eligible for the medical assistance expansion program may not exceed  
13 this amount. For purposes of this section:

14 a. Expenditures do not include those made for individuals identified as medically  
15 frail and who receive services through the traditional Medicaid program  
16 administered by the department of human services for which there is a separate  
17 appropriation of \$10,184,568 included in subdivision 2 of section 1 of this Act.

18 b. Expenditures do not include prescription drugs for the medical assistance  
19 expansion program population which is administered by the department of  
20 human services through its fee-for-service Medicaid program for which there is a  
21 separate appropriation of \$29,460,720 included in subdivision 2 of section 1 of  
22 this Act.

23 c. Expenditures do not include coverage for individuals ages nineteen and twenty  
24 for the medical assistance expansion program population which is administered  
25 by the department of human services through its fee-for-service Medicaid  
26 program for which there is a separate appropriation of \$12,705,466 included in  
27 subdivision 2 of section 1 of this Act.

28 2. The department of human services may exceed appropriations for increases in  
29 medical assistance expansion program caseload and for the addition of coverage  
30 consistent with the traditional Medicaid 1915i state plan.

- 1       3. The managed care organization under contract with the department to manage the  
2       medical assistance expansion program shall reimburse providers within the same  
3       provider type and specialty at consistent levels and with consistent methodology and  
4       may not provide incentive, quality, or supplemental payments to providers, unless part  
5       of a value-based program approved by the department. The managed care  
6       organization shall reimburse all North Dakota substance use providers of American  
7       society of addiction medicine level 2.5 at consistent levels and with consistent  
8       methodology. The managed care organization may consider urban and rural providers  
9       as different provider types. Critical access hospitals may not be paid less than one  
10      hundred percent of Medicare allowable costs.
- 11      4. The managed care organization and the department of human services shall ensure  
12      payments to Indian or Tribal 638 health care providers, federally qualified health  
13      centers, and rural health clinics meet the federally required minimum levels of  
14      reimbursement.
- 15      5. The department of human services shall ensure providers within the same provider  
16      type and specialty are reimbursed at consistent levels and with consistent  
17      methodology and shall ensure the capitation rates under risk contracts are actuarially  
18      sound and are adequate to meet managed care organization contractual requirements  
19      regarding availability of services, assurance of adequate capacity and services, and  
20      coordination and continuity of care.

21      **SECTION 19.** A new section to chapter 50-06 of the North Dakota Century Code is created  
22      and enacted as follows:

23      **Substance use disorder treatment voucher system grants.**

- 24      1. A licensed substance abuse treatment program, excluding regional human service  
25      centers and hospital or medical clinic-based programs for medical management of  
26      withdrawal, may apply for a competitive substance use disorder treatment voucher  
27      system grant. A licensed substance abuse treatment program is eligible for a one-time  
28      grant award. To receive a grant, a licensed substance abuse treatment program shall:
  - 29      a. Submit an application in the form and manner prescribed by the department;
  - 30      b. Enter a grant agreement with the department;

- 1           c. Use grant funds for a licensed substance abuse treatment program with fewer
- 2                 than seventeen beds in an underserved area, as determined by the department,
- 3                 in the state's substance abuse treatment system;
- 4           d. Use the grant funds to support the provision of substance use disorder treatment
- 5                 in underserved areas of the state's substance abuse treatment system;
- 6           e. Provide and disclose information needed to comply with the department's data
- 7                 collection requirements; and
- 8           f. Operate in compliance with grant requirements.
- 9         2. The department, within legislative appropriations, may distribute up to three grants
- 10                 under this section to licensed substance abuse treatment programs.
- 11         3. The department may recapture grant funds distributed to a licensed program found by
- 12                 the department to be out of compliance with the requirements established by the grant
- 13                 program, including ending or reducing the operation of the substance use disorder
- 14                 treatment services in the underserved area.
- 15         4. The department may not collect property, equipment, or supplies purchased with grant
- 16                 funds from the licensed substance abuse treatment program after successful
- 17                 completion of the terms of the grant.
- 18         5. The grant term must be for five years.

19         **SECTION 20. AMENDMENT.** Section 50-06-42 of the North Dakota Century Code is  
20 amended and reenacted as follows:

21         **50-06-42. Substance use disorder treatment voucher system.**

- 22         1. The department shall establish and administer, within the limits of legislative
- 23                 appropriations, a voucher system to address underserved areas and gaps in the
- 24                 state's substance abuse treatment system and to assist in the payment of addiction
- 25                 treatment services provided by licensed substance abuse treatment programs,
- 26                 excluding regional human service centers, and hospital- or medical clinic-based
- 27                 programs for medical management of withdrawal, and any institution for mental
- 28                 diseases in accordance with subsection 2.
- 29         2. The department shall deny a licensed substance abuse treatment program's
- 30                 substance use disorder treatment voucher system application and deny
- 31                 reimbursement by the substance use disorder treatment voucher system if the

1           licensed substance abuse treatment program is an institution for mental diseases and  
2           reimbursement is requested for residential beds added on or after July 1, 2020.

- 3       3. Services eligible for the voucher program include only those levels of care recognized  
4       by the American society of addiction medicine, with particular emphasis given to  
5       underserved areas and programs. The department shall ensure that a licensed  
6       substance abuse treatment program, hospital, and medical clinic program accepting  
7       vouchers collects and reports process and outcome measures. The department shall  
8       develop requirements and provide training and technical assistance to a licensed  
9       substance abuse treatment program, hospital, and medical clinic program accepting  
10       vouchers. A licensed substance abuse treatment program, hospital, and medical clinic  
11       program accepting vouchers shall provide evidence-based services.

12       **SECTION 21. AMENDMENT.** Section 50-06-42 of the North Dakota Century Code is  
13       amended and reenacted as follows:

14       **50-06-42. Substance use disorder treatment voucher system.**

- 15       1. The department shall establish and administer, within the limits of legislative  
16       appropriations, a voucher system to address underserved areas and gaps in the  
17       state's substance abuse treatment system and to assist in the payment of addiction  
18       treatment services provided by licensed substance abuse treatment programs,  
19       excluding regional human service centers, hospital- or medical clinic-based programs  
20       for medical management of withdrawal, and any institution for mental diseases in  
21       accordance with subsection 2.
- 22       2. The department shall deny a licensed substance abuse treatment program's  
23       substance use disorder treatment voucher system application and deny  
24       reimbursement by the substance use disorder treatment voucher system if the  
25       licensed substance abuse treatment program is an institution for mental diseases and  
26       reimbursement is requested for residential beds added on or after July 1, 2020.
- 27       3. Services eligible for the voucher program include only those levels of care recognized  
28       by the American society of addiction medicine, with particular emphasis given to  
29       underserved areas and programs. The department shall ensure that a licensed  
30       substance abuse treatment program, hospital, and medical clinic program accepting  
31       vouchers collects and reports process and outcome measures. The department shall

1           develop requirements and provide training and technical assistance to a licensed  
2           substance abuse treatment program, hospital, and medical clinic program accepting  
3           vouchers. A licensed substance abuse treatment program, hospital, and medical clinic  
4           program accepting vouchers shall provide evidence-based services.

5           4. The department shall allocate funding appropriated for the substance use disorder  
6           treatment voucher as follows:

7           a. No more than fifty percent of the appropriated amount may be allocated for  
8           residential substance use disorder services administered by licensed substance  
9           abuse treatment programs with more than sixteen beds.

10          b. The remaining appropriation must be allocated for residential programs with  
11          sixteen or fewer beds, nonresidential outpatient, and ancillary substance use  
12          disorder services administered by licensed substance abuse treatment programs.

13          **SECTION 22.** A new section to chapter 50-06 of the North Dakota Century Code is created  
14          and enacted as follows:

15          **Behavioral health bed management system.**

16          The department shall establish and maintain a behavioral health bed management system  
17          to improve utilization of behavioral health bed capacity. Public and private providers of  
18          residential or inpatient behavioral health services shall participate in and report daily to the  
19          department the information and documentation necessary to maintain the behavioral health bed  
20          management system in the form and manner prescribed by the department.

21          **SECTION 23. AMENDMENT.** Section 50-11.1-14 of the North Dakota Century Code is  
22          amended and reenacted as follows:

23          **50-11.1-14. Workforce development.**

24          1. The department may establish a statewide system to build systematic early childhood  
25          workforce voluntary training which may include distance learning formats, a  
26          professional registry, certificates, and specializations.

27          2. The department may charge reasonable fees for all training and development courses  
28          to offset costs. All fees collected under this section must be paid to the department or  
29          the department's authorized agent and must be used to defray the cost of providing  
30          training and development courses to providers and staff members of early childhood  
31          services.

1       **SECTION 24.** A new paragraph to subdivision I of subsection 1 of section 50-11.1-22 of the  
2 North Dakota Century Code as created by section 8 of House Bill No. 1416, as approved by the  
3 sixty-seventh legislative assembly, is created and enacted as follows:

4                   A special education director:

5       **SECTION 25. AMENDMENT.** Section 50-24.1-37 of the North Dakota Century Code is  
6 amended and reenacted as follows:

7       **50-24.1-37. Medicaid expansion - Legislative management report. (~~Effective through~~**  
8 **~~July 31, 2021~~ -- Contingent repeal - [See note](#))**

- 9       1. The department of human services shall expand medical assistance coverage as  
10       authorized by the federal Patient Protection and Affordable Care Act [Pub. L. 111-148],  
11       as amended by the Health Care and Education Reconciliation Act of 2010  
12       [Pub. L. 111-152] to individuals under sixty-five years of age with income below one  
13       hundred thirty-eight percent of the federal poverty line published by the federal office  
14       of management and budget applicable to the household size.
- 15       2. The department shall inform new enrollees in the medical assistance expansion  
16       program that benefits may be reduced or eliminated if federal participation decreases  
17       or is eliminated.
- 18       3. Except for pharmacy services, the department shall implement the expansion by  
19       bidding through private carriers or utilizing the health insurance exchange.
- 20       4. The contract between the department and the private carrier must provide the  
21       department with full access to provider reimbursement rates. The department shall  
22       consider provider reimbursement rate information in selecting a private carrier under  
23       this section. Before August first of each even-numbered year, the department shall  
24       submit a report to the legislative management regarding provider reimbursement rates  
25       under the medical assistance expansion program. This report may provide cumulative  
26       data and trend data but may not disclose identifiable provider reimbursement rates.
- 27       5. Provider reimbursement rate information received by the department under this  
28       section is confidential, except the department may use the reimbursement rate  
29       information to prepare the report to the legislative management as required under this  
30       section.

1       **SECTION 26. AMENDMENT.** Section 50-24.1-37 of the North Dakota Century Code is  
2 amended and reenacted as follows:

3       **50-24.1-37. Medicaid expansion - Legislative management report. (Contingent repeal -**  
4 **[See note](#)**)

- 5       1. The department of human services shall expand medical assistance coverage as  
6       authorized by the federal Patient Protection and Affordable Care Act [Pub. L. 111-148],  
7       as amended by the Health Care and Education Reconciliation Act of 2010  
8       [Pub. L. 111-152] to individuals under sixty-five years of age with income below one  
9       hundred thirty-eight percent of the federal poverty line published by the federal office  
10      of management and budget applicable to the household size.
- 11      2. The department shall inform new enrollees in the medical assistance expansion  
12      program that benefits may be reduced or eliminated if federal participation decreases  
13      or is eliminated.
- 14      3. Except for pharmacy services and coverages for individuals ages nineteen and twenty,  
15      the department shall implement the expansion by bidding through private carriers or  
16      utilizing the health insurance exchange.
- 17      4. The contract between the department and the private carrier must provide the  
18      department with full access to provider reimbursement rates. The department shall  
19      consider provider reimbursement rate information in selecting a private carrier under  
20      this section. Before August first of each even-numbered year, the department shall  
21      submit a report to the legislative management regarding provider reimbursement rates  
22      under the medical assistance expansion program. ~~This report may provide cumulative-~~  
23      ~~data and trend data but may not disclose identifiable provider reimbursement rates.~~
- 24      5. Provider reimbursement rate information received by the department under this  
25      section is confidential, ~~except the department may use the reimbursement rate-~~  
26      ~~information to prepare the report to the legislative management as required under this~~  
27      ~~section~~ an open record.

28       **SECTION 27.** A new section to chapter 50-24.1 of the North Dakota Century Code is  
29 created and enacted as follows:

1        **Interpreter services.**

2        Medical assistance coverage, including Medicaid expansion, must include payment for sign  
3 and oral language interpreter services for assistance in providing covered health care services  
4 to a recipient of medical assistance who has limited English proficiency or who has hearing loss  
5 and uses interpreting services. The department shall adopt rules to implement this section.

6        **SECTION 28. REPEAL.** Section 50-24.1-18.1 of the North Dakota Century Code is  
7 repealed.

8        **SECTION 29. CONVEYANCE OF LAND AUTHORIZED - LIFE SKILLS AND TRANSITION**  
9 **CENTER.** The state of North Dakota, by and through the department of human services, may  
10 convey real property associated with the life skills and transition center in Grafton to the Grafton  
11 parks and recreation department. The department of human services may convey a portion of  
12 two parcels of land commonly referred to as "the bowl" on the terms and conditions determined  
13 appropriate by the department and the attorney general. Sections 54-01-05.2 and 54-01-05.5  
14 do not apply to this conveyance.

15        **SECTION 30. CONVEYANCE OF LAND AUTHORIZED - LIFE SKILLS AND TRANSITION**  
16 **CENTER.** The state of North Dakota, by and through the department of human services, may  
17 convey real property associated with the life skills and transition center in Grafton to the Grafton  
18 fire department. The department of human services may convey a parcel of land, 7.45 acres,  
19 more or less, located in part of lot 1, block 1, state school first addition to the city of Grafton,  
20 which is located within the southwest  $\frac{1}{4}$  of the southwest  $\frac{1}{4}$  of section 13, township 157 north,  
21 range 53 west, on the terms and conditions determined appropriate by the department and  
22 attorney general. Sections 54-01-05.2 and 54-01-05.5 do not apply to this conveyance.

23        **SECTION 31. LEASE OF LAND - STATE HOSPITAL.** The department of human services  
24 and national guard may enter an agreement to lease up to twenty acres of real property  
25 associated with the state hospital for the national guard to construct a new training and storage  
26 facility.

27        **SECTION 32. PROVIDER PROCESS AND OUTCOME MEASURES.** Providers that  
28 receive funding from the department of human services shall submit process and outcome  
29 measures, as required by the department, to the department of human services for programs  
30 and services supported by state funding during the biennium beginning July 1, 2021, and  
31 ending June 30, 2023.



1       **SECTION 33. QUALIFIED RESIDENTIAL TREATMENT PROVIDERS.** The department of  
2 human services shall adopt rules, on or before October 1, 2021, establishing a new ratesetting  
3 process and requirements for foster care maintenance rates for qualified residential treatment  
4 providers based on the appropriation approved by the sixty-seventh legislative assembly.

5       **SECTION 34. COMMUNITY BEHAVIORAL HEALTH PROGRAM.** Pursuant to section 5 of  
6 this Act, the director of the office of management and budget may transfer appropriation  
7 authority between line items within subdivisions 1, 2, and 3 of section 1 of this Act for the  
8 biennium beginning July 1, 2021, and ending June 30, 2023, as requested by the department of  
9 human services. The department may transfer funds for the continuation of the community  
10 behavioral health program pursuant to subsection 2 of section 54-23.3-10.

11       **SECTION 35. EXEMPTION.** The amount appropriated for the Medicaid management  
12 information system technology stack upgrade in chapter 37 of the 2019 Session Laws is not  
13 subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation  
14 are available for the completion of the Medicaid management information system technology  
15 stack upgrade during the biennium beginning July 1, 2021, and ending June 30, 2023.

16       **SECTION 36. EXEMPTION.** The amount appropriated for the modification of the  
17 department of human services' eligibility systems in chapter 578 of the 2011 Special Session  
18 Session Laws is not subject to the provisions of section 54-44.1-11. Any unexpended funds from  
19 this appropriation approved under section 54-44.1-11 for continuation into the 2013-15  
20 biennium, then the 2015-17 biennium, then the 2017-19 biennium, and then the 2019-21  
21 biennium are available for the completion of the modification of the eligibility systems project  
22 during the biennium beginning July 1, 2021, and ending June 30, 2023.

23       **SECTION 37. EXEMPTION.** The amount appropriated for the development of the child care  
24 licensing and data system in chapter 11 of the 2017 Session Laws is not subject to the  
25 provisions of section 54-44.1-11. Any unexpended funds from this appropriation approved under  
26 section 54-44.1-11 for continuation into the 2019-21 biennium are available for the completion of  
27 the child care licensing and data system during the biennium beginning July 1, 2021, and  
28 ending June 30, 2023.

29       **SECTION 38. EXEMPTION.** The amount appropriated for the development of the health  
30 information network in chapter 11 of the 2017 Session Laws is not subject to the provisions of  
31 section 54-44.1-11. Any unexpended funds from this appropriation approved under section

1 54-44.1-11 for continuation into the 2019-21 biennium are available for the completion of the  
2 health information network during the biennium beginning July 1, 2021, and ending June 30,  
3 2023.

4 **SECTION 39. EXEMPTION.** The sum of \$200,000 from the general fund appropriated for  
5 the department's operating expenses for the school behavioral health program in chapter 37 of  
6 the 2019 Session Laws is not subject to the provisions of section 54-44.1-11. Any unexpended  
7 funds from this appropriation are available for the completion of the school behavioral health  
8 pilot projects during the biennium beginning July 1, 2021, and ending June 30, 2023.

9 **SECTION 40. EXEMPTION.** The sum of \$150,000 from the general fund appropriated for  
10 the department's operating expenses for behavioral health recovery home grants in chapter 37  
11 of the 2019 Session Laws is not subject to the provisions of section 54-44.1-11. Any  
12 unexpended funds from this appropriation may be used for behavioral health recovery home  
13 grants during the biennium beginning July 1, 2021, and ending June 30, 2023.

14 **SECTION 41. EXEMPTION.** The sum of \$750,000 from the general fund appropriated to  
15 the department of human services for the purpose of providing suicide prevention grants in  
16 chapter 37 of the 2019 Session Laws is not subject to the provisions of section 54-44.1-11. Any  
17 unexpended funds from this appropriation are available for the suicide prevention grants during  
18 the biennium beginning July 1, 2021, and ending June 30, 2023.

19 **SECTION 42. EXEMPTION.** The sum of \$3,000,000 from the general fund appropriated to  
20 the department of human services for the purpose of providing a community behavioral health  
21 program to provide comprehensive community-based services for individuals who have serious  
22 behavioral health conditions in chapter 37 of the 2019 Session Laws is not subject to the  
23 provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available for  
24 the community behavioral health program during the biennium beginning July 1, 2021, and  
25 ending June 30, 2023.

26 **SECTION 43. EXEMPTION.** The sum of \$335,000 from the general fund appropriated to  
27 the department of human services for the purpose of providing a grant to an entity to develop a  
28 hyperbaric oxygen therapy pilot program in chapter 37 of the 2019 Session Laws is not subject  
29 to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are  
30 available for the completion of the grant to an entity to develop a hyperbaric oxygen therapy  
31 pilot program during the biennium beginning July 1, 2021, and ending June 30, 2023.

1       **SECTION 44. EXEMPTION.** The sum of \$572,000 from the strategic investment and  
2 improvements fund appropriated to the department of human services for the purpose of a roof  
3 replacement project at the state hospital in chapter 37 of the 2019 Session Laws is not subject  
4 to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are  
5 available for the completion of the roof replacement project at the state hospital during the  
6 biennium beginning July 1, 2021, and ending June 30, 2023.

7       **SECTION 45. EXEMPTION.** The amount appropriated for the development of the electronic  
8 visit verification project in chapter 11 of the 2017 Session Laws is not subject to the provisions  
9 of section 54-44.1-11. Any unexpended funds from this appropriation approved under section  
10 54-44.1-11 for continuation into the 2019-21 biennium are available for the completion of the  
11 electronic visit verification project during the biennium beginning July 1, 2021, and ending  
12 June 30, 2023.

13       **SECTION 46. LEGISLATIVE INTENT - UTILIZATION RATE ADJUSTMENT.** It is the intent  
14 of the sixty-seventh legislative assembly that the department of human services seek a  
15 deficiency appropriation from the sixty-eighth legislative assembly for any expenditures that  
16 exceed appropriated amounts as a result of utilization rates or nursing home costs associated  
17 with the establishment of the new rate structure as provided in House Bill No. 1090 during the  
18 biennium beginning July 1, 2021, and ending June 30, 2023, if funding is not sufficient to pay  
19 actual expenses.

20       **SECTION 47. REPORT TO LEGISLATIVE MANAGEMENT - EARLY AND PERIODIC**  
21 **SCREENING, DIAGNOSTIC, AND TREATMENT PROGRAM.** During the 2021-22 interim, the  
22 department of human services shall conduct a study of the early and periodic screening,  
23 diagnostic, and treatment program and prepare a report. The department of human services  
24 may contract with a consultant to assist in the study and the preparation of the report. The  
25 report shall include data on the number, ages, and geographic locations of children receiving  
26 screening, diagnostic, and treatment services; the capacity of the program to ensure all children  
27 who require screening, diagnostic, and treatment services are identified and receive services;  
28 data on the disposition of referrals of children who are screened and eligible for diagnostic and  
29 treatment services, including how many receive services and how many do not receive those  
30 services by county; an assessment of the program's efforts to provide comprehensive screening  
31 and treatment for children as required by federal law; an assessment of the deficits of the

1 program's efforts to provide comprehensive screening and treatment as required by federal law;  
2 recommendations to ensure or expand services so that all eligible children are adequately  
3 served by the program; and additional data needed to assess the program accountability and  
4 efficiency. Before October 1, 2022, the department of human services shall provide the report to  
5 the legislative management.

6 **SECTION 48. STATE HOSPITAL TREATMENT CAMPUS - REPORT TO LEGISLATIVE**

7 **MANAGEMENT.** During the 2021-22 interim, the department of human services, with the  
8 assistance of the state hospital's governing body, stakeholders, members of the legislative  
9 assembly, and consultants, shall prepare a report, including an architectural review and cost  
10 estimate to construct a new treatment campus to meet the health care needs of the state.  
11 Before October 1, 2022, the department of human services shall provide the report to the  
12 legislative management. Subdivision 3 of section 1 of this Act includes the sum of \$3,000,000  
13 for the purpose of contracting with a consultant to assist in preparing the report and to develop  
14 detailed design plans for the construction of a new treatment campus.

15 **SECTION 49. REPORT TO LEGISLATIVE MANAGEMENT - REVISED PAYMENT**

16 **METHODOLOGY FOR BASIC CARE FACILITIES.** The department of human services shall  
17 develop a report for payment methodology revisions for basic care facilities that must include  
18 recommendations for:

- 19 1. Methods of reimbursement for basic care facility cost categories, including direct care,  
20 indirect care, room and board, and property; and
- 21 2. The feasibility of standardizing payments for basic care facilities in the same peer  
22 group.

23 Before October 1, 2022, the department shall present the report to the legislative management  
24 regarding the revised payment methodology. The estimated costs related to the implementation  
25 of the payment methodology revisions must be included in the department's 2023-25 biennium  
26 budget request submitted to the sixty-eighth legislative assembly.

27 **SECTION 50. LEGISLATIVE MANAGEMENT REPORT - FOUR-YEAR OLD PROGRAM -**

28 **EARLY CHILDHOOD GRANTS.** During the 2021-22 interim, the department of human services  
29 shall provide reports to the legislative management regarding the status of four-year old  
30 program approvals, the North Dakota early childhood council, and the early childhood grant for  
31 best in class four-year old experiences.

1       **SECTION 51. TRANSFER OF EMPLOYEES.** The department of human services may use  
2 the identified twenty-seven full-time equivalent child care licensing positions of the human  
3 service zone transferred to the department pursuant to chapter 391 of the 2019 Session Laws  
4 for child care licensing, quality control, and early childhood administration.

5       **SECTION 52. RETROACTIVE APPLICATION.** Section 20 of this Act applies retroactively to  
6 July 1, 2020.

7       **SECTION 53. EFFECTIVE DATE.** Sections 18 and 26 of this Act become effective January  
8 1, 2022.

9       **SECTION 54. EXPIRATION DATE.** Section 19 of this Act is effective through July 1, 2027,  
10 and after that date is ineffective.

11       **SECTION 55. EMERGENCY.** Section 3 of this Act and section 22 of Senate Bill No. 2086,  
12 as approved by the sixty-seventh legislative assembly, are declared to be an emergency  
13 measure.