

1999 SENATE HUMAN SERVICES

SB 2196

1999 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB2196

Senate Human Services Committee

Conference Committee

Hearing Date JANUARY 25, 1999

Tape Number	Side A	Side B	Meter #
1		X	2,610
2/1 2	X		4,700
Committee Clerk Signature <i>Carol Kolodziejchuk</i>			

Minutes:

The hearing was opened on SB2196. SENATOR KRAUTER, Sponsor of the bill introduced it. Last session a change in the moratorium law for nursing home facilities. The change didn't stop the moratorium but changed the formula whereby if the facility wanted to get a few more bed or the facility wanted to close some beds there could be an arrangement made where a change can happen. If a facility wanted to decrease, they could decrease those beds in cooperation with the Health Department and then transfer or sell a bed to another facility. They could decrease 2; give them one. A profit was set up. There was never any intention of bed banking or a savings account where those numbers could be held in an account to be used at a later date. This bill takes away the banking ability. SENATOR LEE: A department was holding beds others to get it at a later date. SENATOR KRAUTER: The Health Department issues the license; the

Department of Human Services banked them. SENATOR DEMERS: Assisted living is not included in the moratorium. No.

JAMES COATES, former legislator, testified that the intent was not to trade beds. Beds were to be released immediately. There should be no pool for beds released. Moratorium started when we were trying to create another veterans home. He supports this bill.

DAVE ZENTNER, Director of Medical Services, Department of Human Services, supports bill with written testimony. SENATOR THANE: Why didn't the task force recommend this kind of legislation? Mr. ZENTNER: Task force did not know we had a problem when we wrote the report. We assumed that they knew there would be no bed banking. In the previous report it also talked about that. SENATOR DEMERS: Tell us where this whole thing - written memo - in the Health Department that started this whole thing. MR. ZENTNER: There apparently was a bill on the moratorium. They did ask for the Attorney General's opinion and it would allow for this type of situation to take place. Not what the intent was from last session. SENATOR KILZER asked what a half of a nursing home bed is worth? MR. ZENTNER: It would not be one-half - if you gave up two you could transfer one, and that would be between the willing buyer and the willing seller. SENATOR DEMERS: What is the legal basis for banking of beds?

DARLENE BARTZ, Health Department, answered that the research done indicated that we had a request to transfer these beds. We had written to our attorney for an opinion. The response we got back that the language in the moratorium did allow for bed banking. At this point in time one bed has been transferred to another facility in the long term care, so that was the two for one. There are 27 beds in the bank. We have not downsized much. This is what the bill said in black and white language. SENATOR DEMERS: What will happen to the 27 beds if this bill passes.

The health officer has put any movement from the bed bank on hold. If this language is added I anticipate the beds will go away. SENATOR THANE: Should there be some exceptions that we consider when we eliminate the banking; as in the same large company that owns several facilities in the state, can they transfer. MONTE ENGLE, ND Health Department, stated that transfers have occurred in the past between; the facility that is giving up the bed wouldn't necessarily have to hold those until such time as the receiving facility is willing and able to have those licensed. SENATOR THANE: Would you believe that this legislation would interfere with transfers? MR. ENGLE: No, it would not. There may be some delay in the receiving facility being able to accommodate the new beds or construct them for licensing. SENATOR LEE asked about the benefit of a large organization over an independently owned. Mr. ENGLE said that there was no advantage between the large or small. Most transfers have not been within a particular organization. Most have been sold; some have been transferred without any transfer money between independent operating facilities. They would not have any more or less advantage.

No opposition

The hearing was closed on SB2196.

The committee was reconvened on 2/1/99 with Vice Chair KILZER presiding.

SENATOR DEMERS moved a DO-PASS. SENATOR FISCHER seconded the motion.

Discussion on the bill. Prohibits banking of bed at cost.

Roll call vote carried 4-0 and left open for SENATOR LEE and SENATOR THANE. The votes then read 6-0. SENATOR KILZER is the carrier.

FISCAL NOTE

(Return original and 13 copies)

Bill / Resolution No.: SB 2196

Amendment to: _____

Requested by Legislative Council

Date of Request: 01/12/99

1. Please estimate the fiscal impact (in dollar amounts) of the above measure for state general or special funds, counties, cities, and school districts.

Narrative:

This bill relates to the moratorium on basic care and nursing home facility beds and prohibits the banking of beds. The fiscal impact of this bill is undeterminable as it is not known how many beds, if any, would be eliminated, if the eliminated beds were occupied, or if there would be a decrease in the number of medicaid beds. Furthermore, it is unknown what effect the elimination of beds would have on future nursing home rates.

2. State fiscal effect in dollar amounts:

	1997-1999		1999-2001		2001-2003	
	Biennium		Biennium		Biennium	
	General	Special	General	Special	General	Special
	Fund	Funds	Fund	Funds	Fund	Funds
Revenues:						
Expenditures:	-0-		Unknown		Unknown	

3. What, if any, is the effect of this measure on the appropriation for your agency or department:

a. For rest of 1997-99 biennium:	-0-
b. For the 1999-01 biennium:	Unknown
c. For the 2001-03 biennium:	Unknown

4. County, City, and School District fiscal effect in dollar amounts:

	1997-1999			1999-2001			2001-2003		
	Biennium			Biennium			Biennium		
	Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
	-0-			-0-			-0-		

If additional space is needed, attach a supplemental sheet.

Signed

Brenda M. Weisz

Typed Name

Brenda M. Weisz

Date Prepared: January 18, 1999

Department

Human Services

Phone No.

328-2397

Date: 2/1/99
Roll Call Vote #: 1

1999 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2196

Senate HUMAN SERVICES COMMITTEE Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass

Motion Made By Sen DeMers Seconded By Sen Fischer

Senators	Yes	No	Senators	Yes	No
Senator Thane	✓				
Senator Kilzer	✓				
Senator Fischer	✓				
Senator Lee	✓				
Senator DeMers	✓				
Senator Mutzenberger	✓				

Total 6 (yes) 0 (no)

Absent 0

Floor Assignment Sen Kilzer

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
February 2, 1999 7:35 a.m.

Module No: SR-21-1634
Carrier: Kilzer
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

SB 2196: Human Services Committee (Sen. Thane, Chairman) recommends **DO PASS**
(6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2196 was placed on the
Eleventh order on the calendar.

1999 HOUSE HUMAN SERVICES

SB 2196

1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2196

House Human Services Committee

Conference Committee

Hearing Date March 2, 1999

Tape Number	Side A	Side B	Meter #
2	x		12.4-end
Committee Clerk Signature <i>Wane B. Jambor</i>			

Minutes:

Senator AARON KRAUTER, District 35 testified. This issue came up when it was discovered that the moratorium that was supposed to be in the code wasn't. The last session provided the ability to move one bed to another facility for every two beds that were deleted. The health department used the math to 'bank' beds for future transfer to another facility. This was not the intent of the legislature. This bill will reestablish the intent of the legislature relative to the moratorium on new beds.

DAVID ZENTNER, Director of Medical Services, Department of Human Services testified.

(Testimony attached)

Written testimony from SHELLEY PETERSON, North Dakota Long Term Care Association was handed out to the committee.

OPPOSITION: None

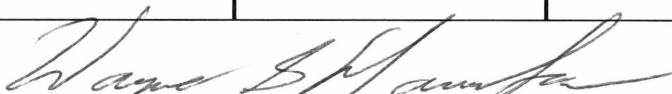
1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB2196

House Human Services Committee

Conference Committee

Hearing Date March 8, 1999

Tape Number	Side A	Side B	Meter #
3	x		7.3-10.0
Committee Clerk Signature 			

Minutes:

Rep. AMY KLINISKE moved 'DO PASS'. Rep. CAROL NIEMEIER seconded.

Motion PASSED. Roll Call Vote 5: 15 Yes, 0 No, 0 Absent.

CARRIER: Rep. SALLY SANDVIG

Date: 3/8/99
 Roll Call Vote #: 5

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES
 BILL/RESOLUTION NO. SB2196

House Human Services Committee

Subcommittee on _____
 or
 Conference Committee

Legislative Council Amendment Number ~~SB2196~~

Action Taken Do Pass

Motion Made By Rep Kliniske Seconded By Rep Niemeier

Representatives	Yes	No	Representatives	Yes	No
Clara Sue Price - Chairwoman	✓		Bruce A. Eckre	✓	
Robin Weisz - Vice Chairman	✓		Ralph Metcalf	✓	
William R. Devlin	✓		Carol A. Niemeier	✓	
Pat Galvin	✓		Wanda Rose	✓	
Dale L. Henegar	✓		Sally M. Sandvig	✓	
Roxanne Jensen	✓				
Amy N. Kliniske	✓				
Chet Pollert	✓				
Todd Porter	✓				
Blair Thoreson	✓				

Total Yes 15 No 0
 Absent 0

Floor Assignment Rep Sandvig

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
March 9, 1999 8:18 a.m.

Module No: HR-42-4297
Carrier: Sandvig
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

SB 2196: Human Services Committee (Rep. Price, Chairman) recommends DO PASS
(15 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2196 was placed on the
Fourteenth order on the calendar.

1999 TESTIMONY
SB 2196

Testimony on SB 2196
Senate Human Services Committee
January 25, 1999

Chairman Thane and members of the Senate Human Services Committee, thank you for the opportunity to provide written testimony on SB 2196. My name is Shelly Peterson, President of the North Dakota Long Term Care Association. I am unable to appear in person today but wanted to share with you our Association's position on SB 2196.

The North Dakota Long Term Care Association strongly supports SB 2196 which makes it unallowable to bank beds for later use by another facility. It was our understanding that this was not allowed under current law but an internal legal opinion within the Health Department appears to indicate otherwise. This "loophole" needs to be closed. SB 2196 clearly states bed banking is not allowed.

The North Dakota Long Term Care Association urges your support and passage of SB 2196. Thank you for considering our written comments on SB 2196. I will make myself available should you have questions or need further information.

Shelly Peterson, President
North Dakota Long Term Care Association
120 West Thayer Avenue
Bismarck, ND 58501
(701) 222-0660

TESTIMONY BEFORE THE SENATE HUMAN SERVICES COMMITTEE

REGARDING SENATE BILL 2196

JANUARY 25, 1999

Chairman Thane, members of the committee, I am David Zentner, Director of Medical Services, for the Department of Human Services. I appear before you today to provide information and support the language contained in this bill.

The State of North Dakota has imposed a legislatively mandated moratorium on the expansion of nursing facility beds since 1995. The moratorium was instituted, in part, because our state has a large number of nursing facility beds per 1,000 persons over 65 years of age. Presently there are about 75 beds per 1,000 persons over age 65 in North Dakota compared to the national average of about 50 beds per 1,000.

The Task Force on Long Term Care Planning has examined the issue of the moratorium during the last two interim bienniums including an examination of the potential to create a bed bank to transfer beds from areas that have surplus beds to those who may be considered to have a bed shortage. The Task Force in its report dated June 1998 noted that one of its major goals was to reduce the number of beds to about 60 per 1,000 individuals over 65 by 2002. The report examined the concern that certain metropolitan areas of the state may have a nursing facility bed shortage. The report concluded that metropolitan areas continue to admit many residents who are high functioning who could be served in alternative settings. An adequate number of existing beds would be available for individuals with greater care needs if more elderly and disabled were diverted into alternative services. Also the number of available beds per thousand indicates that no shortage of bed capacity exists in these metropolitan areas

when compared to national and state averages. For the above reasons the Task Force determined that bed banking was not appropriate at this time and would be in direct conflict with the goal of reducing the number of nursing facility beds in North Dakota.

The Department believes that it is vitally important that the development of alternative long term care services should take precedent at this time over the transfer of nursing facility beds from rural to urban communities. The ideal of a bed bank should be delayed until we have developed a comprehensive statewide continuum of care for the delivery of long term care services.

This bill will clarify the intent of current legislation to limit transfer of beds on a two for one basis only at the time the beds are de-licensed. We support the concept and recommend a due pass either through this bill or an amendment to SB2038 that contains similar language regarding the moratorium on nursing facility and basic care bed capacity in North Dakota.

I would be happy to answer any questions you may have.

**TESTIMONY BEFORE THE HOUSE HUMAN SERVICES COMMITTEE
REGARDING SENATE BILL 2196
MARCH 2, 1999**

Chairman Price, members of the committee, I am David Zentner, Director of Medical Services, for the Department of Human Services. I appear before you today to provide information and support the language contained in this bill.

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I would be happy to answer any questions you may have.

Testimony on SB 2196
House Human Services Committee
March 2, 1999

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