

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION
SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

1115

2001 HOUSE HUMAN SERVICES

HB 1115

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1115

House Human Services Committee

Conference Committee

Hearing Date January 17, 2001

Tape Number	Side A	Side B	Meter #
Tape 2	X		1090 to 3200
Committee Clerk Signature <i>Corinne Easton</i>			

Minutes:

Chairman Price, Vice Chairman Devlin, Rep. Dosch, Rep. Galvin, Rep. Klein, Rep. Pollert, Rep. Porter, Rep. Tieman, Rep. Weiler, Rep. Weisz, Rep. Cleary, Rep. Metcalf, Rep. Niemeier, Rep. Sandvig.

Chairman Price: Opened hearing on HB 1115.

David Zentner: Director of Medical Services for the Department of Human Services. The bill before you establishes the personal care option for individuals residing in basic care facilities, and permits the establishment of a rent subsidy program. Also offered several amendments that would clarify how the subsidy program would be operated. (See written testimony.)

Chairman Price: Mr. Zentner, did you propose the rent subsidy to the executive branch for inclusion in the budget?

David Zentner: The report that had this information in was through the Task Force on Long Term Planning. That went to the Governor for his action. So the budget included the personal

care options, but the executive budget did not include the \$3,000,000 that we would need for the subsidy.

Rep. Niemeier: What is the personal care options benefit?

David Zentner: The Medicaid program has some basic services that it has to provide. Along with that the federal government allows us to provide a lot of other services such as dental, drugs, and included in that is the personal care option.

Chairman Price: If we get the response from the feds and it's no on the basic care part of it and let's say it is a little late in this legislative process, what do you anticipate the department doing?

David Zentner: We would have to ask for the \$5.6 million dollars back. If we are going to operate the basic care as we have in the past.

Chairman Price: In this application there is no other piece except the basic care piece that's in front of us in that waiver.

David Zentner: That is correct. It is not a waiver, it is a state plan amendment.

Rep. Dosch: There are two things here, there is the personal care option and also the rent subsistence. Is that correct?

David Zentner: Yes, that is correct. There are two separate issues.

Rep. Dosch: The cost of the personal care options would be what? The actual cost to the state.

David Zentner: Currently the basic care assistance program is all general fund or retained dollars. Retained dollars are dollars that are available to us through the 1997 legislation. We keep some of the administrative dollars that used to go to the counties. The bottom line is that those are dollars that there is no federal dollars involved. In the past we have always funded the program with local or state dollars. The \$5.6 million in federal money replaces the \$5.6 million

that would have been required to be expended through the general fund or through these retained dollars.

Rep. Sandvig: On your amendments, on page 1 line 23, where you want to put "at rates determined by the department", do you have any idea what those rates would be?

David Zentner: We do have rules in place that establish how we set rates for basic care facilities. That process will not change. On the Senate side there is a bill addressing how we reimburse for certain services within the basic care process, so there is both legislation and rules relating to how we pay for those services.

Shelly Peterson: President of the North Dakota Long Term Care Association. This requires the Department of Human Services to implement a personal care option benefit limited to individuals who reside in basic care facilities. This legislation will allow the Department of Human Services to access federal funds for basic care. (See written testimony.)

Chairman Price: Any discussion of using IGT funds for rent subsidy?

Shelly Peterson: We haven't discussed that at all, only because we thought it would be in the department' budget.

Craig Christianson: Administrator of the Sheyenne Care Center in Valley City. Want to express my support for this bill. For the past six months, Sheyenne Care Center and our community have been looking at actually trying to develop an assisted living program because Barnes County has one basic care facility in the county. That facility is for traumatic head injury. At this point we do not offer a basic care assisted living service. Our financial discussions basically came back to the same thing - without the rent subsidy, just will not cash flow for this operation.

Chairman Price: What kind of numbers would you anticipate in order to make the proposed idea work as far as how many people in assisted living and how many people in basic care?

Craig Christianson: We have been looking at a 17 unit assisted living. Would probably be occupied by around 5 to 6 residents.

Chairman Price: How many people in that number do you think would qualify for the rent subsidy?

Craig Christianson: I have not looked at those numbers because we are in the process right now doing focus groups. We are asking community people to come in and visit with us and talk about the programs and the services that we would offer. I have not gotten into the income levels, so can't answer that. If I am understanding this, through the IGT funds we are required to do 30%.

Tim Wupole: Administrator in Training in Jamestown with Central Dakota Village. We are also in the preliminary stages of a building project on assistant living in the Jamestown area. We are looking at 18 unit currently. We are already on tab for a \$1,000,000 of IGT funds if we can show cash flow, and if we can show need in the community. We have already established the need. I would say ditto to what Craig said about everything. We are finding more and more people who can't afford this type of care, and eventually they will go into a nursing home. You go from \$45 a day for basic care to \$107.

Chairman Price: Close the hearing on HB 1115.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1115 b

House Human Services Committee

Conference Committee

Hearing Date 1-24-01

Tape Number	Side A	Side B	Meter #
3	xx		4500--end
Committee Clerk Signature <i>Cornie Easton</i>			

Minutes: Chair Price : How do you feel about HB1115? There are two parts to this bill. First part changes the basic care option. The second part deals with rent subsidies for assisted living. How do you feel about the rent subsidy for assisted living?

Rep. Dosch : I would be against that portion. It cost too much.

Rep. Pollert : I am not in favor of the subsidy. I agree with the first part. Brings in federal dollars.

Rep. Niemeier : I'm not crazy about rent subsidy.

Rep. Cleary : I think we should remove the rent subsidy and just go with the first part of the bill.

I move that amendment.

Rep. Niemeier : I second.

VOTE ON AMEND: 11 YES and 1 NO 2 absent. AMENDMENT PASSED.

Rep. Pollert : I move a DO PASS as Amended/ ReRefer to Approp. Rep. Metcalf: I second.

VOTE: 12 YES and 0 NO with 2 absent. PASSED. Rep. Niemeier will carry the bill.

FISCAL NOTE

Requested by Legislative Council
02/22/2001

Bill/Resolution No.:

Amendment to: Engrossed
 HB 1115

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				\$8,025,120		\$8,596,709
Expenditures				\$8,025,120		\$8,596,709
Appropriations						

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2. Narrative: *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

This bill would allow the Department to implement the personal care option benefit program for individuals residing in a basic care facility.

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

The \$8,025,120 of revenue for the 01 - 03 biennium consists of \$5,609,666 in Federal funds, and \$2,415,454 of retained funds generated from the SWAP legislation passed in the 1997 Legislative Session. The revenue amounts were included in the Executive Budget.

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The personal care option program would require \$8,025,120 in expenditures paid from the Economic Assistance grants line item, of which \$5,609,666 would be Federal funds and \$2,415,454 would be retained funds.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the*

executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.

The \$8,025,120 of other funds has been appropriated in the Executive Budget for the Basic Care Assistance Program, and includes the fiscal impact of implementing the Personal Care Option created by this bill. **If the Personal Care Option is not passed, \$5,609,666 of general funds would need to be added to the budget to maintain the current level of Basic Care Assistance services.**

Name:	Brenda M. Weisz	Agency:	Department of Human Services
Phone Number:	328-2397	Date Prepared:	02/27/2001

FISCAL NOTE
 Requested by Legislative Council
 01/31/2001

Bill/Resolution No.:

Amendment to: HB 1115

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				\$8,025,120		\$8,596,700
Expenditures				\$8,025,120		\$8,596,700
Appropriations						

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2. Narrative: *Identify the measure which cause fiscal impact and include any comments relevant to your analysis.*

The amended bill would require the Department to implement the personal care option benefit program for individuals residing in a basic care facility.

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

The \$8,025,120 of revenue for the 01 - 03 biennium consists of \$5,609,666 in federal funds, and \$2,415,454 of retained funds generated from the SWAP legislation passed in the 1997 Legislative Session. The revenue amounts were included in the Executive Budget.

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The personal care option program would require \$8,025,120 in expenditures paid from the Economic Assistance grants line item, of which \$5,609,666 would be federal funds and \$2,415,454 would be retained funds.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and*

appropriations.

The \$8,025,120 of other funds has been appropriated in the Executive Budget for the Basic Care Assistance Program and includes the fiscal impact of implementing the Personal Care Option created by this bill. **If the Personal Care Option is not passed, \$5,609,666 of general funds would need to be added to the budget to maintain our current level of Basic Care Assistance services.**

Name:	Brenda M. Welsz	Agency:	Department of Human Services
Phone Number:	328-2397	Date Prepared:	01/31/2001

