

STATEMENT OF PURPOSE OF AMENDMENT:**House Bill No. 1196 - Funding Summary**

	Executive Budget	Final Legislative Action	Comparison To Executive Budget
State Department of Health			
Grants		\$489,500	\$489,500
Nursing facility nurses			
student loan pmt			
Total all funds	\$0	\$489,500	\$489,500
Less estimated income	0	489,500	489,500
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00
DHS - Management			
HIPAA and other		\$8,055,347	\$8,055,347
technology projects			
Total all funds	\$0	\$8,055,347	\$8,055,347
Less estimated income	0	8,055,347	8,055,347
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00
DHS - Economic Assistance			
Govt nursing facility		\$38,750,000	\$38,750,000
funding pool pmts			
IGT administration		71,158	71,158
Nursing facility grants		100,226	100,226
Nursing facility loans		12,000,000	12,000,000
Long-term care needs		241,006	241,006
assessment			
Nursing home bed reduction		4,000,000	4,000,000
incentive			
Nursing facility employee		27,296,847	27,296,847
compensation			
Basic care employee		673,600	673,600
compensation			
Nursing facility rate limit		2,272,820	2,272,820
increase			
Nursing facility personal		1,017,600	1,017,600
care allowance			
Basic care personal care		180,000	180,000
allowance			
QSP training grants		140,000	140,000
Targeted case management		1,107,750	1,107,750
Total all funds	\$0	\$87,851,007	\$87,851,007
Less estimated income	0	76,201,007	76,201,007
General fund	\$0	\$11,650,000	\$11,650,000
FTE	0.00	0.00	0.00
DHS - Program and Policy			
SPED		\$6,898,302	\$6,898,302
Senior citizen mill levy		250,000	250,000
match			
Independent living center		100,000	100,000
grants			
Total all funds	\$0	\$7,248,302	\$7,248,302
Less estimated income	0	7,248,302	7,248,302
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00

Bill Total			
Total all funds	\$0	\$103,644,156	\$103,644,156
Less estimated income	0	91,994,156	91,994,156
General fund	\$0	\$11,650,000	\$11,650,000
FTE	0.00	0.00	0.00

House Bill No. 1196 - State Department of Health - House Action

The bill creates a nursing facility nurses student loan payment program, transfers \$1,000,000 from the health care trust fund to the nursing facility nurses student loan payment fund, and appropriates \$200,000 from the nursing facility nurses student loan fund for making these payments during the 2001-03 biennium.

House Bill No. 1196 - State Department of Health - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Grants			\$489,500	\$489,500
Nursing facility nurses student loan pmt		200,000	(200,000)	
Total all funds	\$0	\$200,000	\$289,500	\$489,500
Less estimated income	0	200,000	289,500	489,500
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

Department No. 301 - State Department of Health - Detail of Senate Changes

	Change Loan Payment Program ¹	Total Senate Changes
Grants	\$489,500	\$489,500
Nursing facility nurses student loan pmt	(200,000)	(200,000)
Total all funds	\$289,500	\$289,500
Less estimated income	289,500	289,500
General fund	\$0	\$0
FTE	0.00	0.00

¹ The nursing facility nurses student loan payment program is changed from the state paying an eligible nursing facility nurse's student loan payment directly to the financial institution as proposed by the House to providing a grant of up to \$5,500 to an eligible nursing facility during the first year of the biennium for the facility to use for assisting in the repayment of nursing student loans. Each facility must provide an equal amount as matching. If appropriation authority remains available for the second year of the biennium, the Health Council may provide additional matching grants to nursing facilities for the same purpose.

This amendment provides a \$489,500 appropriation from the health care trust fund for this program rather than transferring \$1,000,000 from the health care trust fund to a nursing facility nurses student loan payment fund and providing a \$200,000 appropriation from that fund as included in the House version.

House Bill No. 1196 - State Department of Health - Conference Committee Action

	Executive Budget	House Version	Conf. Com. Changes	Conf. Com. Version	Senate Version	Comparison to Senate
Grants			\$489,500	\$489,500	\$489,500	
Nursing facility nurses student loan pmt		200,000	(200,000)			
Total all funds	\$0	\$200,000	\$289,500	\$489,500	\$489,500	\$0
Less estimated income	0	200,000	289,500	489,500	489,500	0
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

Department No. 301 - State Department of Health - Detail of Conference Committee Changes

	Change Loan Payment Program¹	Total Conference Committee Changes
Grants	\$489,500	\$489,500
Nursing facility nurses student loan pmt	(200,000)	(200,000)
Total all funds	\$289,500	\$289,500
Less estimated income	289,500	289,500
General fund	\$0	\$0
FTE	0.00	0.00

¹ The nursing facility nurses student loan payment program is changed to the long-term care nursing scholarship and loan repayment program. The program is changed from the state paying an eligible nursing facility nurse's student loan payment directly to the financial institution as proposed by the House to providing a grant of up to \$5,500 to an eligible nursing facility during the first year of the biennium for the facility to use for providing scholarships to nursing staff or others to obtain a nursing education or for assisting nurses employed by the facility to repay their nursing student loans. Each nursing facility must provide an equal amount as matching. If appropriation authority remains available for the second year of the biennium, the State Health Council may provide additional matching grants to nursing facilities for the same purpose. (Section 8)

This amendment provides a \$489,500 appropriation from the health care trust fund for this program, the same as the Senate version, rather than transferring \$1,000,000 from the health care trust fund to a nursing facility nurses student loan payment fund and providing a \$200,000 appropriation from that fund as included in the House version. (Section 31)

House Bill No. 1196 - DHS - Management - House Action

This bill appropriates \$8,055,347, of which \$3,000,000 is from the health care trust fund and \$5,055,347 of federal funds for costs associated with complying with the federal Health Insurance Portability and Accountability Act (HIPAA) and for other technology projects.

House Bill No. 1196 - DHS - Management - Senate Action

The Senate did not change the House version for funding for HIPAA and other technology related projects,

House Bill No. 1196 - DHS - Management - Conference Committee Action

The Conference Committee did not change the House and Senate version for funding for the Health Insurance Portability and Accountability Act and other technology-related projects. (Section 33)

House Bill No. 1196 - DHS - Economic Assistance - House Action

This bill appropriates \$38,750,000, of which \$11,650,000 is from the general fund and \$27,100,000 of federal funds for making government nursing facility funding pool payments during the 2001-03 biennium. The general fund share of each payment will be returned to the general fund within one business day of the payment being made; therefore, general fund revenues will increase by \$11,650,000.

The bill appropriates \$800,000 from the health care trust fund for making an additional transaction fee payment of \$400,000 to each of the government nursing facilities (Dunseith and McVile) during the 1999-2001 biennium.

The bill appropriates funds for the following economic assistance programs for the 2001-03 biennium:

	Health Care Trust Fund	Federal Funds	Total
Administrative costs	\$71,158		\$71,158
Grants - 1999-2001 commitments	100,226		100,226
Loans	8,899,774		8,899,774
Statewide long-term care needs assessment	241,006		241,006
Nursing home bed reduction incentive	4,100,000		4,100,000
Nursing facility employee compensation enhancement	8,189,054	\$19,107,793	27,296,847
Basic care employee compensation enhancement	202,080	471,520	673,600
Nursing facility rate limit increases resulting from rebasing	681,846	1,590,974	2,272,820
Nursing facility personal care allowance increase	266,400	621,600	888,000
Basic care facility personal care allowance increase	180,000		180,000
Qualified service provider (QSP) training grants	140,000		140,000
Targeted case management	338,530	769,220	1,107,750
Total	\$23,410,074	\$22,561,107	\$45,971,181

House Bill No. 1196 - DHS - Economic Assistance - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Govt nursing facility funding pool pmts		\$38,750,000		\$38,750,000
IGT administration		71,158		71,158
Nursing facility grants		100,226		100,226
Nursing facility loans		8,899,774	4,100,226	13,000,000
Long-term care needs assessment		241,006		241,006
Nursing home bed reduction incentive		4,100,000	(100,000)	4,000,000
Nursing facility employee compensation		27,296,847		27,296,847
Basic care employee compensation		673,600		673,600
Nursing facility rate limit increase		2,272,820	1,611,523	3,884,343
Nursing facility personal care allowance		888,000	129,600	1,017,600
Basic care personal care allowance		180,000		180,000
QSP training grants		140,000		140,000
Targeted case management		1,107,750		1,107,750
Total all funds	\$0	\$84,721,181	\$5,741,349	\$90,462,530
Less estimated income	0	73,071,181	5,741,349	78,812,530
General fund	\$0	\$11,650,000	\$0	\$11,650,000
FTE	0.00	0.00	0.00	0.00

Department No. 327 - DHS - Economic Assistance - Detail of Senate Changes

	Increase Loan Funding¹	Reduce Bed Reduction Incentive Funding²	Rebase to 2000³	Allowance Increase for ICF/MR⁴	Total Senate Changes
Govt nursing facility funding pool pmts					
IGT administration					
Nursing facility grants					
Nursing facility loans	4,100,226				4,100,226
Long-term care needs assessment					
Nursing home bed reduction incentive		(100,000)			(100,000)
Nursing facility employee compensation					
Basic care employee compensation					
Nursing facility rate limit increase			1,611,523		1,611,523
Nursing facility personal care allowance				129,600	129,600
Basic care personal care allowance					
QSP training grants					
Targeted case management					
Total all funds	\$4,100,226	(\$100,000)	\$1,611,523	\$129,600	\$5,741,349
Less estimated income	4,100,226	(100,000)	1,611,523	129,600	5,741,349
General fund	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00

¹ The funding provided for loans is increased to \$13,000,000 from the health care trust fund.

² Funding for the nursing home bed reduction incentive program is reduced by \$100,000 from the health care trust fund.

The maximum payment allowed for reducing a bed is increased from \$10,000 to \$15,000 and provisions included in the House version that authorized a lower payment for reducing fewer than eight beds are removed.

Provisions are added providing that the department:

- May not pay an incentive to a nursing facility that is temporarily converting nursing facility bed capacity to basic care bed capacity.
- Shall allow for nursing facilities to make offers to reduce bed capacity each quarter and that the department must approve all offers that meet the program's criteria and are within available funding.
- Shall inform a nursing facility within five business days regarding the department's approval or disapproval of the facility's offer to reduce beds.

³ Additional funding of \$483,457 is provided from the health care trust fund and \$1,128,066 of federal funds is provided to rebase nursing facility cost limits to 2000 rather than 1999 as included in the House version.

⁴ Additional funding of \$43,200 is provided from the health care trust fund and \$86,400 of federal funds is provided to increase the personal care allowance for individuals residing in intermediate care facilities for the mentally retarded from \$40 to \$50 per month.

Provisions are added that:

- Require any basic care bed capacity that is being converted to nursing facility bed capacity to have been licensed as basic care after July 1, 2001.
- Change the dates on the moratorium on the expansion of long-term care bed capacity to reflect the 2001-03 biennium.
- Remove the definition of "assisted living facility" from NDCC Chapter 50-30.
- Expand the long term care needs assessment study to include the nursing facility payment system.

House Bill No. 1196 - DHS - Economic Assistance - Conference Committee Action

	Executive Budget	House Version	Conf. Com. Changes	Conf. Com. Version	Senate Version	Comparison to Senate
Govt nursing facility funding pool pmts		\$38,750,000		\$38,750,000	\$38,750,000	
IGT administration		71,158		71,158	71,158	
Nursing facility grants		100,226		100,226	100,226	
Nursing facility loans		8,899,774	3,100,226	12,000,000	13,000,000	(1,000,000)
Long-term care needs assessment		241,006		241,006	241,006	
Nursing home bed reduction incentive		4,100,000	(100,000)	4,000,000	4,000,000	
Nursing facility employee compensation		27,296,847		27,296,847	27,296,847	
Basic care employee compensation		673,600		673,600	673,600	
Nursing facility rate limit increase		2,272,820		2,272,820	3,884,343	(1,611,523)
Nursing facility personal care allowance		888,000	129,600	1,017,600	1,017,600	
Basic care personal care allowance		180,000		180,000	180,000	
QSP training grants		140,000		140,000	140,000	
Targeted case management		1,107,750		1,107,750	1,107,750	
Total all funds	\$0	\$84,721,181	\$3,129,826	\$87,851,007	\$90,462,530	(\$2,611,523)
Less estimated income	0	73,071,181	3,129,826	76,201,007	78,812,530	(2,611,523)
General fund	\$0	\$11,650,000	\$0	\$11,650,000	\$11,650,000	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

Department No. 327 - DHS - Economic Assistance - Detail of Conference Committee Changes

	Increase Loan Funding ¹	Reduce Bed Reduction Incentive Funding ²	Allowance Increase for ICF/MR ³	Total Conference Committee Changes
Govt nursing facility funding pool pmts				
IGT administration				
Nursing facility grants				
Nursing facility loans	3,100,226			3,100,226
Long-term care needs assessment				
Nursing home bed reduction incentive		(100,000)		(100,000)
Nursing facility employee compensation				
Basic care employee compensation				
Nursing facility rate limit increase				
Nursing facility personal care allowance			129,600	129,600
Basic care personal care allowance				
QSP training grants				
Targeted case management				
Total all funds	\$3,100,226	(\$100,000)	\$129,600	\$3,129,826
Less estimated income	3,100,226	(100,000)	129,600	3,129,826
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

¹ The funding provided for loans is increased to \$12,000,000 from the health care trust fund, \$3,100,226 more than the House version and \$1,000,000 less than the Senate version. (Section 22)

² Funding for the nursing home bed reduction incentive program is reduced by \$100,000 from the health care trust fund, the same as the Senate version. (Section 23)

The maximum incentive payment a facility may receive for each bed reduced is:

- \$15,000 per bed if a facility eliminates its entire licensed bed capacity.
- \$12,000 per bed if a facility reduces at least eight beds.
- \$8,000 per bed if a facility reduces fewer than eight beds.

Under the Senate version, the maximum incentive allowed was \$15,000 per bed. Under the House version, a facility reducing at least eight beds would have received an incentive of \$10,000 per bed, and a facility reducing fewer than eight beds would have received an incentive of \$2,500 per bed.

Provisions are added providing that the department:

- May not pay an incentive to a nursing facility that is temporarily converting nursing facility bed capacity to basic care bed capacity.
- Shall allow for nursing facilities to make offers to reduce bed capacity each quarter.
- Shall give priority for incentives to facilities that reduce their entire licensed bed capacity.
- Shall inform a nursing facility within thirty days of the beginning of each quarter regarding the department's approval or disapproval of the facility's offer to reduce beds.

Provisions are added providing that:

- To be eligible for an incentive in a particular quarter, a nursing facility's bid to reduce bed capacity must be received by the Department of Human Services by the first day of the quarter for which the incentives will be approved.
- A nursing facility may resubmit a bid that was not approved in one quarter in a subsequent quarter.

³ Additional funding of \$43,200 is provided from the health care trust fund and \$86,400 of federal funds is provided to increase the personal care allowance for individuals residing in intermediate care facilities for the mentally retarded from \$40 to \$50 per month, the same as the Senate version. (Section 27)

Provisions are added that:

- Preclude nursing facilities from using moneys received for compensation enhancements (Section 24) for matching long-term care nursing scholarship and loan repayment grants. (Section 8)
- Remove the definition of "assisted living facility" from NDCC Chapter 50-30. (Section 12)
- Expand the long-term care needs assessment study to include the nursing facility payment system and allow the study to begin prior to the 2001-03 biennium. (Section 30)

Sections 9 and 10 of the bill relating to the moratoriums on the expansion of long-term care and basic care bed capacity are changed to reflect the provisions of Senate Bill No. 2098 which has passed both the House and Senate.

Funding is included to rebase nursing facility limits to 1999, the same as the House version. (Section 26) The Senate had added \$1,611,523, which included \$483,457 from the health care trust fund to rebase to 2000.

House Bill No. 1196 - DHS - Program and Policy - House Action

This bill includes the following appropriations for program and policy programs:

Health Care

Trust Fund

Service payments for the elderly and disabled (SPED)	\$6,898,302
Senior citizen mill levy match	150,000
Independent living center grants	100,000
Total	<u>\$7,148,302</u>

House Bill No. 1196 - DHS - Program and Policy - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
SPED		\$6,898,302		\$6,898,302
Senior citizen mill levy match		150,000	100,000	250,000
Independent living center grants		100,000		100,000
Total all funds	<u>\$0</u>	<u>\$7,148,302</u>	<u>\$100,000</u>	<u>\$7,248,302</u>
Less estimated income	<u>0</u>	<u>7,148,302</u>	<u>100,000</u>	<u>7,248,302</u>
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

Department No. 328 - DHS - Program and Policy - Detail of Senate Changes

	Increase Senior Mill Match Funding	Total Senate Changes
SPED		
Senior citizen mill levy match	100,000	100,000
Independent living center grants		
Total all funds	<u>\$100,000</u>	<u>\$100,000</u>
Less estimated income	<u>100,000</u>	<u>100,000</u>
General fund	\$0	\$0
FTE	0.00	0.00

House Bill No. 1196 - DHS - Program and Policy - Conference Committee Action

	Executive Budget	House Version	Conf. Com. Changes	Conf. Com. Version	Senate Version	Comparison to Senate
SPED		\$6,898,302		\$6,898,302	\$6,898,302	
Senior citizen mill levy match		150,000	100,000	250,000	250,000	
Independent living center grants		100,000		100,000	100,000	
Total all funds	<u>\$0</u>	<u>\$7,148,302</u>	<u>\$100,000</u>	<u>\$7,248,302</u>	<u>\$7,248,302</u>	<u>\$0</u>
Less estimated income	<u>0</u>	<u>7,148,302</u>	<u>100,000</u>	<u>7,248,302</u>	<u>7,248,302</u>	<u>0</u>
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

Department No. 328 - DHS - Program and Policy - Detail of Conference Committee Changes

	Increase Senior Mill Match Funding¹	Total Conference Committee Changes
SPED		
Senior citizen mill levy match	100,000	100,000
Independent living center grants		
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Total all funds	\$100,000	\$100,000
Less estimated income	100,000	100,000
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General fund	\$0	\$0
FTE	0.00	0.00

¹ Funding for the senior citizen mill levy match is increased by \$100,000, the same as the Senate version. (Section 35)