

**Veterans Home
House Bill No. 1007**

	FTE Positions	General Fund	Other Funds	Total
2003-05 executive budget (bills as introduced)	88.01	\$3,325,274	\$7,318,664	\$10,643,938
2003-05 legislative appropriations	89.41	3,046,072	7,971,123	11,017,195
Legislative increase (decrease) to executive budget	1.40	(\$279,202)	\$652,459	\$373,257
Legislative increase (decrease) to 2001-03 appropriations	2.40	(\$333,296)	\$1,871,188	\$1,537,892

SUMMARY OF LEGISLATIVE CHANGES TO THE EXECUTIVE BUDGET AND MAJOR FUNDING ITEMS

Salaries and Wages

The legislative action affecting the recommended appropriation for the Veterans Home is in accordance with legislative salary and fringe benefits guidelines as contained in Senate Bill No. 2423, which allows agencies to provide salary increases of up to 1 percent on January 1, 2004, and up to 2 percent on January 1, 2005, to be funded in part from pooled savings accumulated from agency FTE position reductions.

	Major Items FTE Positions	General Fund	Other Funds	Total
The legislative action:				
Removed funding recommended in the executive budget for state employee salary increases		(\$50,855)	(\$21,629)	(\$72,484)
Reduced funding recommended in the executive budget for state employee health insurance premiums from \$493 to \$488.70 per month per policy		(8,050)	(2,580)	(10,630)
Reduced funding for information technology. The amount reduced represents a reduction in information technology funding of approximately 5 percent. (See Related Legislation section below)		(256)	(6,046)	(6,302)
Reduced funding for operating costs		(4,205)		(4,205)
Reduced funding for salaries and wages		(88,526)		(88,526)
Changed funding source and increased the salaries and wages line item by \$100,000		(100,000)	200,000	100,000
Removed funding for an information management analyst position		(91,483)		(91,483)
Removed a .6 FTE and funding for a chief financial officer position	(0.60)	(110,027)		(110,027)
Authorized 2 FTE positions within existing spending authority	2.00			0

Increased funding for additional skilled care beds (See Other Sections in Bill section below)			656,914	656,914
Changed a portion of the overall funding source		174,200	(174,200)	0
Total	1.40	(\$279,202)	\$652,459	\$373,257

FTE Changes

The 2003-05 appropriation includes funding for 89.41 FTE positions, 2.4 FTE more than the 2001-03 authorized level of 87.01 FTE positions. The Legislative Assembly authorized an unspecified additional 1.4 FTE positions, and approved the executive recommendation for 1 FTE information management analyst position.

Other Sections in Bill

Veterans Home strategic plan reports - Section 4 provides for a representative of the Veterans Home Governing Board to periodically report to the Budget Section on the status of the board's progress in developing and implementing a strategic plan for the Veterans Home.

Full-time equivalent positions - Section 5 authorizes the Veterans Home Governing Board to employ two new FTE positions for the Veterans Home prior to June 30, 2003, subject to the availability of funds.

Line item transfers - Section 6 provides for line item transfer authority of up to \$150,000 during the 2001-03 biennium within existing appropriation authority for implementing technology and telecommunications changes.

Skilled care beds addition - Section 7 provides for the Department of Human Services to purchase eight skilled nursing care beds available after April 14, 2003, from funding available from the bed reduction incentive program and to transfer the purchased beds to the Veterans Home.

Nursing home rate class limits study - Section 8 provides for a Legislative Council study of the feasibility and desirability of establishing a separate payment rate class for the Veterans Home and the related effect on the state's general fund and the long-term care industry in North Dakota. The study was not prioritized by the Legislative Council.

Department of Human Services appropriation - Section 9 appropriates \$96,924 from the general fund and \$205,586 from federal funds to the Department of Human Services for the purpose of Medicaid reimbursement to the Veterans Home relating to the addition of eight skilled nursing care beds.

Related Legislation

Special funds transfer - Section 2 of House Bill No. 1505 authorizes the Office of Management and Budget to transfer \$6,046 of special funds reduced from the Veterans Home information technology budget to the Information Technology Department for funding a portion of the Information Technology Department's operating budget.

Administrator of the Veterans Home - Senate Bill No. 2299 changes the title of the commandant of the Veterans Home to the administrator and removes the requirement that a veteran serve in the position.

Veterans Home Governing Board - Senate Bill No. 2299 directs the chairman and secretary of the Administrative Committee on Veterans Affairs to jointly appoint a seven-member governing board for administration of the Veterans Home, from within or outside the committee, and shall establish term lengths for service on the governing board. The governing board is responsible for establishing the qualifications for and selection of an administrator of the Veterans Home. The administrator serves at the pleasure of the governing board. The board shall conduct an annual evaluation of the administrator, and shall create and implement a strategic plan for the Veterans Home.

Priorities for admission to the Veterans Home - Senate Bill No. 2299 provides that priorities for admission to the facility be based on the various levels of care that are provided by the Veterans Home. The rulemaking authority for establishing the priorities is subject to the Administrative Agencies Practices Act.