

**Department of Human Services**

**Budget No. 325**

**House Bill Nos. 1012, 1043, 1327, 1418, 1433, 1540, 1556, Senate Bill Nos. 2174, 2198, 2231, 2391**

	<b>FTE Positions</b>	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
2009-11 executive budget (bills as introduced)	2,237.38	\$721,512,545	\$1,540,574,416	\$2,262,086,961
<b>2009-11 legislative appropriations</b>	<b>2,216.88</b>	<b>650,645,814</b>	<b>1,637,100,137</b>	<b>2,287,745,951</b>
Legislative increase (decrease) to executive budget	(20.50)	(\$70,866,731)	\$96,525,721	\$25,658,990
Legislative increase (decrease) to 2007-09 appropriations	(6.50)	\$56,729,584	\$346,209,840	\$402,939,424

**ONGOING AND ONE-TIME GENERAL FUND APPROPRIATIONS**

	<b>Ongoing General Fund Appropriation</b>	<b>One-Time General Fund Appropriation</b>	<b>Total General Fund Appropriation</b>
2007-09 legislative appropriations	\$582,028,966	\$11,887,264	\$593,916,230
<b>2009-11 legislative appropriations</b>	<b>646,349,516<sup>1</sup></b>	<b>4,296,298</b>	<b>650,645,814<sup>1</sup></b>
2009-11 legislative increase (decrease) to 2007-09 appropriations	\$64,320,550 <sup>1</sup>	(\$7,590,966)	\$56,729,584 <sup>1</sup>
Percentage increase (decrease) to 2007-09 appropriations	11.1% <sup>1</sup>	(6.4%)	9.6% <sup>1</sup>
2009-11 legislative increase (decrease) to executive budget	(\$70,866,731) <sup>1</sup>	\$0	(\$70,866,731) <sup>1</sup>
Percentage increase (decrease) to executive budget	(9.9%) <sup>1</sup>	0.0%	(9.8%) <sup>1</sup>

<sup>1</sup>Due to the receipt of federal fiscal stimulus funds, these amounts reflect general fund savings of \$69,263,082 relating to the enhanced federal medical assistance percentage (FMAP) (\$66,500,000) and child support incentive funds (\$2,763,082). Excluding these savings, these amounts would be as follows:

	<b>Ongoing General Fund Appropriation</b>	<b>Total General Fund Appropriation</b>
2009-11 legislative appropriations	\$715,612,598	\$719,908,896
2009-11 legislative increase (decrease) to 2007-09 appropriations	\$133,583,632	\$125,992,666
Percentage increase (decrease) to 2007-09 appropriations	23.0%	21.2%
2009-11 legislative increase (decrease) to executive budget	(\$1,603,649)	(\$1,603,649)
Percentage increase (decrease) to executive budget	(0.2%)	(0.2%)

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

**Salaries and Wages**

The legislative action affecting the recommended appropriation for the Department of Human Services is in accordance with legislative salary and fringe benefits guidelines as contained in House Bill No. 1015.

	<b>Major Items</b>			
	<b>FTE Positions</b>	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
The legislative action:				
<b>Management</b>				
Removed funding added in the executive budget for state employee salary equity adjustments		(\$3,458,506)	(\$1,575,064)	(\$5,033,570)
Reduced funding for salaries and wages for anticipated savings from vacant positions and employee turnover		(110,879)		(110,879)
Removed 1 FTE position added in the executive budget to perform additional duties required by Statement on Auditing Standards No. 112 regarding communicating internal control matters	(1.00)	(56,724)	(72,331)	(129,055)
Decreased funding for department travel		(7,128)	(7,592)	(14,720)
Added funding for expenses relating to the Early Childhood Services Advisory Board established in House Bill No. 1472		20,776		20,776
Subtotal - Management changes	(1.00)	(\$3,612,461)	(\$1,654,987)	(\$5,267,448)
<b>Program and Policy</b>				
Reduced funding for salaries and wages for anticipated savings from vacant positions and employee turnover		(130,497)		(130,497)
Decreased funding for department travel		(33,432)	(84,899)	(118,331)
<b>Economic Assistance</b>				
Added funding in House Bill No. 1540 for additional funding for reimbursing the expenses of locally administered economic assistance programs in counties that contain federally recognized Indian reservation land		549,938		549,938
Added funding in Senate Bill No. 2231 for contracting with a statewide provider of charitable food distribution services to address gaps in service in, expand the recovery and distribution of surplus food supplies for, and strengthen the capacity of, the North Dakota charitable emergency feeding network		350,000		350,000
Added funding in Senate Bill No. 2391 from federal temporary assistance for needy families block grant funds for the alternatives-to-abortion program to provide a total of \$500,000			100,000	100,000

**Medical Services**

Decreased funding for inflationary increases for all services except the rebased services to provide 6 percent per year increases	(111,048)	(561,337)	(672,385)
Decreased funding added in the executive budget for inflationary increases for the rebased services (hospitals, physicians, ambulances, and chiropractors) to provide a 6 percent increase for the second year of the biennium	(1,237,634)	(2,148,298)	(3,385,932)
Increased funding for rebasing physician payment rates. The legislative appropriation provides funding of \$39,700,000, of which \$14,699,550 is from the general fund, for rebasing rates to 75 percent of the cost report. The executive budget included funding of \$13,250,000, of which \$4,899,850 is from the general fund, for rebasing rates to 25 percent of the amount needed to rebase to 100 percent of cost.	9,799,700	16,700,300	26,500,000
Decreased funding for rebasing chiropractor payment rates. The legislative appropriation provides funding of \$312,000, of which \$115,377 is from the general fund, for rebasing rates to 75 percent of the cost report. The executive budget included funding of \$416,000, of which \$153,836 is from the general fund, for rebasing rates to 100 percent of cost.	(38,459)	(65,541)	(104,000)
Decreased funding for medical services to reduce projected caseload/utilization rates	(9,600,000)	(16,359,978)	(25,959,978)
Added funding for a Bank of North Dakota line of credit (\$8,500,000) if caseload/utilization rates are greater than anticipated, including \$14,485,398 of special funds for the related federal funding share		22,985,398	22,985,398
Added funding for an estimated decrease in the state's federal medical assistance percentage (FMAP) for the last seven months of the 2009-11 biennium	9,500,000	(9,500,000)	0
Added one-time funding for a supplemental payment to small, rural critical access hospitals	400,000		400,000
Decreased funding for the state children's health insurance program to reflect an increase in the program eligibility requirement from 150 percent to 160 percent of the federal poverty level instead of an increase to 200 percent of the federal poverty level as provided for in the executive budget, including the removal of 1.5 FTE positions	(1.50)	(727,025)	(2,082,197)
Adjusted funding for the state children's health insurance program to reflect utilization reprojections and a revised premium amount	(2,832,256)	(8,110,063)	(10,942,319)

Added funding for additional outreach for the state children's health insurance program		300,000		300,000
Decreased funding for the funeral set-aside for Medicaid recipients to provide for an increase in the set-aside from \$5,000 to \$6,000 instead of \$7,000 as provided for in the executive budget		(103,922)	(179,078)	(283,000)
<b>Long-Term Care</b>				
Decreased funding for inflationary increases for all services except the rebased services to provide 6 percent per year increases		(4,544,584)	(7,103,292)	(11,647,876)
Reduced funding for long-term care to reflect a decrease in projected caseload/utilization rates		(5,600,000)	(9,543,320)	(15,143,320)
Reduced funding for developmental disabilities grants to reflect a decrease in projected caseload/utilization rates		(2,476,000)	(4,219,511)	(6,695,511)
Added funding to increase the personal needs allowance for individuals in basic care facilities and ICR/MR facilities from \$60 per month as provided for in the executive budget to \$85 per month		283,052	163,348	446,400
Added funding to increase nursing facility bed limits in the formula for nursing home payments from \$138,907 to \$169,098 for single rooms and \$92,604 to \$112,732 for double rooms. Of the \$877,518, \$324,506 is from the health care trust fund and \$553,012 is from federal funds.			877,518	877,518
Added funding to provide a salary and benefit supplemental payment for individuals employed by basic care and nursing care facilities except for administrators and contract nursing		5,512,441	12,465,072	17,977,513
Added funding to provide a salary and benefit supplemental payment for individuals employed by developmental disabilities providers except for administrators		7,086,807	14,552,299	21,639,106
Added funding to provide a \$1 per hour increase for qualified service providers		853,268	963,026	1,816,294
Added funding for developmental disabilities providers who are serving severely medically fragile and behaviorally challenged individuals		1,553,160	2,646,840	4,200,000
Removed a FTE position included in the executive budget relating to the implementation of a home and community-based care waiver to provide support for children who have a diagnosis of autism spectrum disorder	(1.00)	(66,872)	(66,871)	(133,743)

Added funding in House Bill No. 1043 for contracting for a dementia care services program	1,200,000		1,200,000
Added funding from the health care trust fund in House Bill No. 1327 for providing a grant to a nursing facility for costs associated with remodeling the facility to meet the requirements of an assisted living facility and a basic care facility		200,000	200,000
Added funding in House Bill No. 1433 for funding a special care rate for qualifying nursing homes	28,761	337,114	365,875
<b>Aging Services</b>			
Decreased funding for inflationary increases for all services except the rebased services to provide 6 percent per year increases	(15,200)		(15,200)
Removed funding for a pilot aging and disability resource center	(600,000)		(600,000)
Added funding for a grant to the community of care program	120,000		120,000
<b>Children and Family Services</b>			
Decreased funding added in the executive budget for inflationary increases for all services except the rebased services to provide 6 percent per year increases	(436,192)	(823,013)	(1,259,205)
Increased funding for the Healthy Families program from \$300,000 from the general fund as provided for the 2007-09 biennium to \$500,000 from the general fund for the 2009-11 biennium	200,000		200,000
Added funding for family group conferencing (\$100,000) and for safety and permanency funds (\$100,000)	200,000		200,000
Added funding for children's advocacy centers	200,000		200,000
<b>Mental Health and Substance Abuse Program</b>			
Decreased funding for inflationary increases for all services except the rebased services to provide 6 percent per year increases	(21,237)		(21,237)
Decreased funding for compulsive gambling services from \$700,000, of which \$300,000 was from the general fund and \$400,000 was from special funds from lottery proceeds, as provided for in the executive budget to \$650,000, of which \$250,000 is from the general fund and \$400,000 is from special funds from lottery proceeds. The 2007-09 legislative appropriation for compulsive gambling services is \$400,000 of special funds from lottery proceeds.	(50,000)		(50,000)

Decreased funding for the Governor's Prevention and Advisory Council grants from \$200,000 from the general fund as provided for in the executive budget to \$100,000 from the general fund	(100,000)		(100,000)
Added funding in Senate Bill No. 2198 for providing services to individuals with traumatic brain injury	330,000		330,000
<b>Developmental Disabilities Division</b>			
Decreased funding for inflationary increases for all services except the rebased services to provide 6 percent per year increases	(27,199)		(27,199)
Added funding in House Bill No. 1556 for conducting a study of the methodology and calculations for the ratesetting structure for public and private licensed developmental disability providers	100,000	100,000	200,000
Added funding in Senate Bill No. 2174 for expenses of the Autism Spectrum Disorder Task Force established in the bill	3,000		3,000
<b>Vocational Rehabilitation</b>			
Decreased funding for centers of independent living from \$2,114,539, of which \$1,330,958 is from the general fund, as included in the executive budget to \$1,744,539, of which \$930,958 is from the general fund (The funding of \$1,744,539 represents an increase of \$400,000 from the 2007-09 biennium appropriation of \$1,344,539, of which \$530,958 was from the general fund.)	(400,000)		(400,000)
<b>Federal Fiscal Stimulus Funding</b>			
Appropriated additional funding for supplemental nutrition assistance program benefits and related administrative expenses		9,874,747	9,874,747
Changed the funding source and provided additional funding for child support enforcement activities	(2,763,082)	3,200,000	436,918
Changed the funding source for Medicaid, foster care, and adoption payments due to the enhanced FMAP included in the federal American Recovery and Reinvestment Act of 2009	(66,500,000)	66,500,000	0
Appropriated additional funding for elderly nutrition services		485,000	485,000
Appropriated additional funding for senior employment program		143,288	143,288
Appropriated additional funding for older blind services		3,170	3,170

Appropriated additional funding for developmentally delayed infants aged 0 to 3 years to reflect federal funds received for Individuals With Disabilities Education Act - Part C			2,140,000	2,140,000
Appropriated additional funding for centers for independent living			243,000	243,000
Appropriated additional funding for vocational rehabilitation services			1,800,000	1,800,000
Appropriated funding in House Bill No. 1418 for implementing programs associated with early childhood care services			3,644,000	3,644,000
Subtotal - Program and Policy changes	<u>(2.50)</u>	<u>(\$59,844,512)</u>	<u>\$99,276,722</u>	<u>\$39,432,210</u>
<b>State Hospital</b>				
Reduced funding for salaries and wages for anticipated savings from vacant positions and employee turnover		(357,798)		(357,798)
Decreased funding for department travel		(4,603)	(3,465)	(8,068)
Removed funding and 6 FTE positions included in the executive budget for the global behavioral health initiative	(6.00)	(516,815)		(516,815)
Decreased funding for extraordinary repairs from \$3,231,017 to \$2,731,017		(500,000)		(500,000)
Subtotal - State Hospital	<u>(6.00)</u>	<u>(\$1,379,216)</u>	<u>(\$3,465)</u>	<u>(\$1,382,681)</u>
<b>Developmental Center</b>				
Reduced funding for salaries and wages for anticipated savings from vacant positions and employee turnover		(201,159)		(201,159)
Decreased funding for department travel		(74)	(114)	(188)
Subtotal - Developmental Center	<u>0.00</u>	<u>(\$201,233)</u>	<u>(\$114)</u>	<u>(\$201,347)</u>
<b>Human Service Centers</b>				
<b>Northwest</b>				
Reduced funding for salaries and wages for anticipated savings from vacant positions and employee turnover		(68,293)		(68,293)
Decreased funding for department travel		(9,810)	(4,234)	(14,044)
Decreased funding for inflationary increases for all services except the rebased services to provide 6 percent per year increases		(27,637)	(152)	(27,789)
Subtotal - Northwest Human Service Center	<u>0.00</u>	<u>(\$105,740)</u>	<u>(\$4,386)</u>	<u>(\$110,126)</u>

**North Central**

Reduced funding for salaries and wages for anticipated savings from vacant positions and employee turnover		(86,078)		(86,078)
Decreased funding for department travel		(1,066)	(760)	(1,826)
Decreased funding for inflationary increases for all services except the rebased services to provide 6 percent per year increases		(55,310)	(3,113)	(58,423)
Removed funding included in the executive budget for the global behavioral health initiative		(1,358,307)	(100,000)	(1,458,307)
Removed funding and 1 FTE position included in the executive budget for providing additional oversight and monitoring of developmental disabilities cases	(1.00)	(58,793)	(52,354)	(111,147)
Subtotal - North Central Human Service Center	<u>(1.00)</u>	<u>(\$1,559,554)</u>	<u>(\$156,227)</u>	<u>(\$1,715,781)</u>

**Lake Region**

Reduced funding for salaries and wages for anticipated savings from vacant positions and employee turnover		(73,337)		(73,337)
Decreased funding for department travel		(6,308)	(4,277)	(10,585)
Decreased funding for inflationary increases for all services except the rebased services to provide 6 percent per year increases		(29,810)		(29,810)
Subtotal - Lake Region Human Service Center	<u>0.00</u>	<u>(\$109,455)</u>	<u>(\$4,277)</u>	<u>(\$113,732)</u>

**Northeast**

Reduced funding for salaries and wages for anticipated savings from vacant positions and employee turnover		(44,145)		(44,145)
Decreased funding for department travel		(1,327)	(2,285)	(3,612)
Decreased funding for inflationary increases for all services except the rebased services to provide 6 percent per year increases		(63,400)	(24,253)	(87,653)
Removed funding included in the executive budget for the global behavioral health initiative		(280,663)	(81,200)	(361,863)
Removed funding and 1 FTE position included in the executive budget for providing additional oversight and monitoring of developmental disabilities cases	(1.00)	(58,793)	(52,354)	(111,147)
Subtotal - Northeast Human Service Center	<u>(1.00)</u>	<u>(\$448,328)</u>	<u>(\$160,092)</u>	<u>(\$608,420)</u>



**Southeast**

Reduced funding for salaries and wages for anticipated savings from vacant positions and employee turnover		(115,044)		(115,044)
Decreased funding for department travel		(853)	(707)	(1,560)
Decreased funding for inflationary increases for all services except the rebased services to provide 6 percent per year increases		(57,874)	(167)	(58,041)
Removed funding and 4 FTE positions included in the executive budget for the global behavioral health initiative	(4.00)	(1,190,124)	(183,746)	(1,373,870)
Added funding for contract staffing at the Cooper House		236,520	78,840	315,360
Removed funding and 1 FTE position included in the executive budget for providing additional oversight and monitoring of developmental disabilities cases	(1.00)	(58,793)	(52,354)	(111,147)
Removed funding included in the executive budget for young adult transition residential services		(184,622)	(242,222)	(426,844)
Removed funding and 1 FTE position included in the executive budget for the partnership program	(1.00)	(61,490)	(40,440)	(101,930)
Subtotal - Southeast Human Service Center	<u>(6.00)</u>	<u>(\$1,432,280)</u>	<u>(\$440,796)</u>	<u>(\$1,873,076)</u>

**South Central**

Reduced funding for salaries and wages for anticipated savings from vacant positions and employee turnover		(90,063)		(90,063)
Decreased funding for department travel		(5,115)	(3,292)	(\$8,407)
Decreased funding for inflationary increases for all services except the rebased services to provide 6 percent per year increases		(46,570)		(46,570)
Removed funding and 1 FTE position included in the executive budget for the global behavioral health initiative	(1.00)	(127,669)		(127,669)
Removed funding and 1 FTE position included in the executive budget to complete vulnerable adult protection services	(1.00)	(73,128)		(73,128)
Subtotal - South Central Human Service Center	<u>(2.00)</u>	<u>(\$342,545)</u>	<u>(\$3,292)</u>	<u>(\$345,837)</u>

**West Central**

Reduced funding for salaries and wages for anticipated savings from vacant positions and employee turnover		(94,610)		(94,610)
Decreased funding for department travel		(6,838)	(4,748)	(11,586)

Decreased funding for inflationary increases for all services except the rebased services to provide 6 percent per year increases		(70,021)	(965)	(70,986)
Removed funding included in the executive budget for the global behavioral health initiative		(279,546)		(279,546)
Removed funding and 1 FTE position included in the executive budget for providing additional oversight and monitoring of developmental disabilities cases	(1.00)	(58,793)	(52,354)	(111,147)
Removed funding included in the executive budget for young adult transition residential services		(650,000)	(100,000)	(750,000)
<b>Subtotal - West Central Human Service Center</b>	<b>(1.00)</b>	<b>(\$1,159,808)</b>	<b>(\$158,067)</b>	<b>(\$1,317,875)</b>
<b>Badlands</b>				
Reduced funding for salaries and wages for anticipated savings from vacant positions and employee turnover		(28,097)		(28,097)
Decreased funding for department travel		(116)	(81)	(\$197)
Decreased funding for inflationary increases for all services except the rebased services to provide 6 percent per year increases		21,614	(25,217)	(3,603)
Removed funding included in the executive budget for the global behavioral health initiative		(665,000)	(140,000)	(805,000)
<b>Subtotal - Badlands Human Service Center</b>	<b>0.00</b>	<b>(\$671,599)</b>	<b>(\$165,298)</b>	<b>(\$836,897)</b>
<b>Total</b>	<b>(20.50)</b>	<b>(\$70,866,731)</b>	<b>\$96,525,721</b>	<b>\$25,658,990</b>

#### FTE Changes

The 2009-11 biennium appropriation includes funding for 2,216.88 FTE positions, a decrease of 6.50 FTE positions from the 2007-09 biennium authorized level of 2,223.38 FTE positions. The following table summarizes FTE position changes included in the 2009-11 executive budget and the legislative appropriation:

Position	Executive Budget FTE Changes	Legislative Appropriation FTE Changes	Legislative Appropriation Increase (Decrease) From Executive Budget
<b>Central office</b>			
Account budget specialist	1.00	0.00	(1.00)
Eligibility worker II	1.00	0.00	(1.00)
Eligibility worker II	0.50	0.00	(0.50)
Human service program administrator III	1.00	0.00	(1.00)
Pending classification (child care worker background checks)	1.00	1.00	0.00
Positions not requested by the department	(7.50)	(7.50)	0.00
<b>State Hospital</b>			
Mental health care specialist I	1.00	0.00	(1.00)
Mental health care specialist I	1.00	0.00	(1.00)

Position	Executive Budget FTE Changes	Legislative Appropriation FTE Changes	Legislative Appropriation Increase (Decrease) From Executive Budget
Mental health care specialist I	1.00	0.00	(1.00)
Mental health care specialist I	1.00	0.00	(1.00)
Mental health care specialist I	1.00	0.00	(1.00)
Registered pharmacy technician	1.00	0.00	(1.00)
<b>Human service centers</b>			
Developmental disabilities manager II (North Central HSC)	1.00	0.00	(1.00)
Developmental disabilities manager II (Northeast HSC)	1.00	0.00	(1.00)
Human service aide II (Southeast HSC)	1.00	0.00	(1.00)
MI case manager II (Southeast HSC)	1.00	0.00	(1.00)
Addiction counselor II (Southeast HSC)	1.00	0.00	(1.00)
Registered nursing I (Southeast HSC)	1.00	0.00	(1.00)
MI case manager II (Southeast HSC)	1.00	0.00	(1.00)
Developmental disabilities manager II (Southeast HSC)	1.00	0.00	(1.00)
MI case manager II (South Central HSC)	1.00	0.00	(1.00)
MI case manager II (South Central HSC)	1.00	0.00	(1.00)
Developmental disabilities manager II (West Central HSC)	1.00	0.00	(1.00)
<b>Total</b>	<b>14.00</b>	<b>(6.50)</b>	<b>(20.50)</b>

#### One-Time Funding

In Section 6 of House Bill No. 1012, the Legislative Assembly identified \$4,196,298 from the general fund for one-time funding items. The Legislative Assembly also provided a \$100,000 general fund appropriation in House Bill No. 1556 to the Department of Human Services for a study of the methodology and calculations for the ratesetting structure for public and private licensed developmental disabilities providers which is considered to be one-time funding. These items, summarized as follows, are not to be considered part of the agency's base budget for preparing the 2011-13 executive budget and the Department of Human Services is to report to the Appropriations Committees during the 2011 legislative session on the use of this funding.

Extraordinary repairs	\$3,443,692
Equipment over \$5,000	352,606
Supplemental payments for small, rural critical access hospitals	400,000
Study of rates for public and private licensed developmental disabilities providers (HB 1556)	100,000
<b>Total</b>	<b>\$4,296,298</b>

#### Federal Fiscal Stimulus Funding

In Section 2 of House Bill No. 1012 and Section 2 of House Bill No. 1418, the Legislative Assembly appropriated \$88,033,205 of federal fiscal stimulus funds from the federal American Recovery and Reinvestment Act of 2009. The Department of Human Services may seek Emergency Commission and Budget Section approval for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts appropriated. This funding, which is summarized as follows, except for the funding relating to the FMAP and funding of \$2,763,082 of child support incentive matching funds is not to be considered part of the agency's base budget for the 2011-13 biennium. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available.

Federal medical assistance percentage	\$66,500,000
Elderly nutrition services	485,000
Child support incentive matching funds	3,200,000 <sup>1</sup>
Rehabilitation services and disability assistance and independent living	2,043,000
Individuals With Disabilities Education Act - Part C	2,140,000
Supplemental nutrition assistance program benefits and administration	9,874,747
Senior employment program	143,288
Older blind	3,170
Early childhood care services (HB 1418)	3,644,000
<b>Total</b>	<b>\$88,033,205</b>

<sup>1</sup>Of the \$3,200,000, \$2,763,082 was used to replace funding from the general fund for providing child support incentive matching funds.

#### Other Sections in House Bill No. 1012

**General fund transfer to budget stabilization fund - Use of general fund savings** - Section 3 provides that notwithstanding North Dakota Century Code (NDCC) Section 54-27.2-02, the State Treasurer and the Office of Management and Budget may not include in the amount used to determine general fund transfers to the budget stabilization fund at the end of the 2007-09 biennium under Chapter 54-27.2 any general fund amounts resulting from the increased federal share of medical assistance payments resulting from the federal American Recovery and Reinvestment Act of 2009. The State Treasurer and the Office of Management and Budget are to separately account for these amounts and 2009-11 biennium general fund amounts resulting from FMAP changes under the federal American Recovery and Reinvestment Act of 2009 and use these amounts to defray the expenses of continuing program costs of the Department of Human Services from the general fund for the 2009-11 biennium as follows:

Inflationary increases for human services providers	\$27,345,292
Rate increases for selected Medicaid services due to rebasing	21,788,982
Rate increases for nursing homes due to property limit changes and other nursing home increases	7,788,572
Wage increases for employees of nursing homes, basic care, and developmental disabilities services providers and qualified service providers	16,229,317
Salary increases for Department of Human Services employees	14,293,872
<b>Total</b>	<b>\$87,446,035</b>

**Bank of North Dakota loan authorization** - Section 4 authorizes the Department of Human Services, if the caseload/utilization of medical services, long-term care, and developmental disabilities services is more than anticipated by the Legislative Assembly and subject to Budget Section approval, to obtain a Bank of North Dakota loan for up to \$8.5 million for providing the state matching share of additional medical assistance grants for medical services, long-term care, and developmental disabilities services during the 2009-11 biennium. The department is to request funding from the 2011 Legislative Assembly to repay any loan obtained, including interest.

**2009-11 spending level authorization** - Section 5 provides that if the Department of Human Services expenditures exceed funding levels, including loan proceeds, approved by the Legislative Assembly due to caseload/utilization of programs exceeding the level anticipated by the Legislative Assembly, the department may continue to spend at the increased level and may seek a deficiency appropriation from the 2011 Legislative Assembly.

**Transfer authority** - Section 7 authorizes the Department of Human Services to transfer appropriation authority between line items within each subdivision and between subdivisions of the department. The department is to report to the Budget Section after June 30, 2010, on any transfers made in excess of \$50,000 and to the Appropriations Committees of the 2011 Legislative Assembly regarding any transfers made.

**Health care trust fund** - Section 8 identifies \$4,124,506 of the Department of Human Services' other funds appropriation as being from the health care trust fund.

**Legislative Council study - Child support enforcement** - Section 9 provides for a Legislative Council study of the Department of Human Services' child support enforcement program. The study is to include the review of arrearages in terms of total owed and interest accrued and child support enforcement activities in other states.

**Legislative Council study - Long-term care** - Section 10 provides for a Legislative Council study of long-term care services in the state. The study is to include a review of the Department of Human Services' payment system and a review of the State Department of Health's survey and inspection programs and processes.

**Medicaid provider payments** - Section 13 provides legislative intent that the Department of Human Services establish a goal to set Medicaid payments for hospitals, physicians, chiropractors, and ambulances at 100 percent of cost.

**Supplemental payment - Critical access hospitals** - Section 14 provides that \$400,000 of one-time funding from the general fund is provided to the Department of Human Services for providing a supplemental payment to eligible critical access hospitals. A critical access hospital is eligible for a payment under this section only if its percentage of medical payments exceeds 25 percent of its total annual revenue in its most recent audited financial statements and is located in a city with a population that does not exceed 1,450. The department is to seek federal Medicaid funding to provide a portion of the supplemental payment. If federal Medicaid funding is not available for a portion of the payment, the department may spend the \$400,000 from the general fund for making the supplemental payment only if the action will not result in a reduction in federal Medicaid funding to the state.

**Dementia care services** - Section 15 provides legislative intent that the Department of Human Services integrate the dementia care services program established in House Bill No. 1043 with the home and community-based care services programs of the department.

**Legislative Council study - Traumatic brain injury** - Section 16 provides for a Legislative Council study of the impact of individuals with traumatic brain injury, including veterans who are returning from wars, on the state's human services system. The study must include an analysis of the estimated cost of providing human service-related services to the individuals with traumatic brain injury.

**Children's health insurance program outreach** - Section 17 provides legislative intent that the Department of Human Services award a contract for outreach services for the state children's health insurance program to an entity other than an insurance company for the 2009-11 biennium.

**Exemption** - Section 18 provides that \$270,000 of the \$3,100,000 appropriated for a sexual offender treatment addition at the State Hospital for the 2007-09 biennium is not subject to NDCC Section 54-44.1-11 and may be spent during the 2009-11 biennium for completing roof repairs at the State Hospital.

**Developmental Center admission** - Section 19 amends NDCC Section 25-04-05 relating to screening required prior to admission or readmission to the Developmental Center.

**Medical assistance benefits** - Section 20 amends NDCC Section 50-24.1-02.6 relating to medical assistance eligibility.

**Children's advocacy centers** - Section 22 creates a new subsection to NDCC Section 50-25.1-05 relating to the adoption of rules regarding the recording of interviews in child abuse or neglect cases.

**Children's health insurance program** - Section 23 amends NDCC Section 50-29-04 to increase eligibility for the state children's health insurance program from 150 percent to 160 percent of the federal poverty level.

**Health care trust fund** - Section 24 amends NDCC Section 50-30-02 to provide that money in the health care trust fund may not be included in draft appropriation acts under Section 54-44.1-06.

**Repeal** - Section 25 repeals Section 4 of Chapter 422 of the 2007 Session Laws relating to the effective date of the expansion of medical assistance benefits.

### Related Legislation

**Dementia care services** - House Bill No. 1043 directs the Department of Human Services to contract for a dementia care services program in each area of the state served by a regional human service center to provide personalized care consultation services, training, and education relating to dementia; provides a \$1.2 million general fund appropriation for the program; and provides for a report to the Legislative Council regarding the outcomes of the program.

**Transition-aged youth at risk** - House Bill No. 1044 provides that the Department of Human Services develop, within current appropriations, a program for services to transition-aged youth at risk.

**Child care assistance** - House Bill No. 1090 identifies the child care assistance currently administered by the Department of Human Services in statute.

**Child support enforcement** - House Bill No. 1175 provides statutory changes regarding child support enforcement.

**Sale of land** - House Bill No. 1214 authorizes the Department of Human Services to sell land at the Developmental Center in Walsh County.

**Bad debt expenses** - House Bill No. 1303 increases the amount of allowable bad debt expenses when determining nursing home rates.

**Education expenses** - House Bill No. 1307 provides for an increase of certain education expenses for determining nursing home rates.

**Nursing facility grant** - House Bill No. 1327 provides a \$200,000 special funds appropriation from the health care trust fund to the Department of Human Services for providing a grant to a nursing facility for costs associated with remodeling the facility to meet the requirements of an assisted living facility and a basic care facility. The facility receiving the grant is to use \$50,000 of the grant to conduct a rent subsidy pilot project for at least four assisted living residents.

**Early childhood care services** - House Bill No. 1418 appropriates \$3,644,000 of federal fiscal stimulus funds to the Department of Human Services for implementing programs associated with early childhood care services.

**Special care rate for nursing homes** - House Bill No. 1433 provides a \$365,875 appropriation, of which \$28,761 is from the general fund, to the Department of Human Services for funding a special care rate for qualifying nursing homes.

**Funeral set-aside** - House Bill No. 1477 amends NDCC Section 50-24.1-02.3 to increase the funeral set-aside for Medicaid recipients from \$5,000 to \$6,000.

**Indian county payments** - House Bill No. 1540 relates to the funding of economic assistance programs in counties with federally recognized Indian reservation land. The bill provides a \$549,938 general fund appropriation to the Department of Human Services for additional payments to counties that contain federally recognized Indian reservation land.

**Study of developmental disabilities providers** - House Bill No. 1556 appropriates \$100,000 from the general fund and \$100,000 from special funds to the Department of Human Services for a study by the department of the methodology and calculations for the ratesetting structure for public and private licensed developmental disabilities providers.

**Criminal history record checks** - Senate Bill No. 2162 relates to criminal history record checks for individuals who provide early childhood services, Department of Human Services employees, and service providers.

**Autism spectrum disorder task force** - Senate Bill No. 2174 establishes an autism spectrum disorder task force and provides a \$3,000 general fund appropriation to the Department of Human Services for paying for expenses of the task force.

**Traumatic brain injury** - Senate Bill No. 2198 provides a \$330,000 general fund appropriation to the Department of Human Services for providing services to individuals with traumatic brain injury.

**Charitable emergency feeding network** - Senate Bill No. 2231 provides a \$350,000 general fund appropriation to the Department of Human Services for contracting with a statewide provider of charitable food distribution services to address gaps in service in, expand the recovery and distribution of surplus food supplies, and strengthen the capacity of the North Dakota charitable emergency feeding network.

**Alternatives-to-abortion program** - Senate Bill No. 2391 provides a \$100,000 special funds appropriation to the Department of Human Services from federal temporary assistance for needy families block grant funds for the alternatives-to-abortion program.