

Sixty-eighth
Legislative Assembly
of North Dakota

ENGROSSED SENATE BILL NO. 2012

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of various divisions of
2 the department of health and human services; to provide an appropriation to the university of
3 North Dakota school of medicine and health sciences; to provide an exemption; to create and
4 enact a new section to chapter 50-06 and a new subsection to section 50-24.1-07 of the North
5 Dakota Century Code and two new subsections to the new section to chapter 54-52.1 as
6 created by section 2 of Senate Bill No. 2140, as approved by the sixty-eighth legislative
7 assembly, of the North Dakota Century Code, relating to public employee health benefits
8 coverage of insulin, a North Dakota legislative health care task force, and Medicaid claims; to
9 amend and reenact subsection 2 of section 12.1-04-07, sections 50-01.2-01, 50-06-42,
10 50-11.1-02, 50-11.1-22, 50-11.1-23, 50-11.1-24, and 50-24.1-26, subsection 5 of section
11 50-24.1-37, and sections 50-24.5-02.3 and 50-29-04 of the North Dakota Century Code, relating
12 to fitness to proceed examination, human service zone board membership, the substance use
13 disorder treatment voucher system, Medicaid in-home services, the best in class program, basic
14 care payment rates, the Medicaid expansion program, and the children's health insurance
15 program; to repeal section 50-06-32.1 of the North Dakota Century Code, relating to the autism
16 voucher; to provide a statement of legislative intent; to provide for a legislative management
17 study; to provide for a report; ~~and~~ to provide an effective date; and to declare an emergency.

18 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

19 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
20 as may be necessary, are appropriated out of any moneys in the general fund in the state
21 treasury, not otherwise appropriated, and from special funds derived from federal funds and
22 other income, to the department of health and human services for the purpose of defraying the
23 expenses of its various divisions, for the biennium beginning July 1, 2023, and ending June 30,
24 2025, as follows:

1 Subdivision 1.

2 MANAGEMENT

3		Adjustments or		
4	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>	
5	Salaries and wages	\$21,363,556	\$3,045,900	\$24,409,456
6	Operating expenses	151,161,924	89,904,000	241,065,924
7	Capital assets	75,000	0	75,000
8	Total all funds	\$172,600,480	\$92,949,900	\$265,550,380
9	Less estimated income	92,905,426	93,255,417	186,160,843
10	Total general fund	\$79,695,054	(\$305,517)	\$79,389,537

11 Subdivision 2.

12 PROGRAM AND POLICY

13		Adjustments or		
14	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>	
15	Salaries and wages	\$122,081,310	\$19,537,197	\$141,618,507
16	Operating expenses	176,078,719	55,722,549	231,801,268
17	Capital assets	10,000	0	10,000
18	Grants	467,144,387	190,506,682	657,651,069
19	Grants - medical assistance	3,028,666,463	556,176,867	3,584,843,330
20	Opioid prevention	0	2,000,000	2,000,000
21	Total all funds	\$3,793,980,879	\$823,943,295	\$4,617,924,174
22	Less estimated income	2,499,452,627	489,283,991	2,988,736,618
23	Total general fund	\$1,294,528,252	\$334,659,304	\$1,629,187,556

24 Subdivision 3.

25 FIELD SERVICES

26		Adjustments or		
27	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>	
28	Human service centers	\$163,213,829	\$26,160,626	\$189,374,455
29	Institutions	130,383,428	33,139,340	163,522,768
30	Total all funds	\$293,597,257	\$59,299,966	\$352,897,223

1	Less estimated income	114,273,300	(18,574,719)	95,698,581
2	Total general fund	\$179,323,957	\$77,874,685	\$257,198,642
3	Subdivision 4.			
4	COUNTY SOCIAL SERVICE FINANCING			
5			Adjustments or	
6		Base Level	Enhancements	Appropriation
7	County social services	\$189,917,386	\$35,444,200	\$225,361,586
8	Total all funds	\$189,917,386	\$35,444,200	\$225,361,586
9	Less estimated income	188,676,995	35,333,519	224,010,514
10	Total general fund	\$1,240,391	\$110,681	\$1,351,072
11	Subdivision 5.			
12	TOTAL - SECTION 1			
13			Adjustments or	
14		Base Level	Enhancements	Appropriation
15	Grand total general fund	\$1,554,787,654	\$412,339,153	\$1,967,126,807
16	Grant total special funds	2,895,308,348	599,298,208	3,494,606,556
17	Grant total all funds	\$4,450,096,002	\$1,011,637,361	\$5,461,733,363
18	Full-time equivalent positions	2,265.33	94.00	2,359.33
19	Salaries and wages	\$21,363,556	(\$21,363,556)	\$0
20	Salaries and wages block grant	0	456,750,493	456,750,493
21	Operating expenses	151,161,924	95,654,000	246,815,924
22	Capital assets	75,000	0	75,000
23	Total all funds	\$172,600,480	\$531,040,937	\$703,641,417
24	Less estimated income	92,905,426	293,796,361	386,701,787
25	Total general fund	\$79,695,054	\$237,244,576	\$316,939,630
26	Subdivision 2.			
27	PROGRAM AND POLICY			
28			Adjustments or	
29		Base Level	Enhancements	Appropriation
30	Salaries and wages	\$122,081,310	(\$122,081,310)	\$0
31	Operating expenses	176,078,719	59,740,165	235,818,884

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1	Capital assets	10,000	0	10,000
2	Grants	467,144,387	168,924,549	636,068,936
3	Grants - medical assistance	3,028,666,463	396,605,903	3,425,272,366
4	Opioid prevention	0	2,000,000	2,000,000
5	Total all funds	\$3,793,980,879	\$505,189,307	\$4,299,170,186
6	Less estimated income	2,499,452,627	269,279,579	2,768,732,206
7	Total general fund	\$1,294,528,252	\$235,909,728	\$1,530,437,980
8	<u>Subdivision 3.</u>			
9	<u>FIELD SERVICES</u>			
10			Adjustments or	
11		Base Level	Enhancements	Appropriation
12	Human service centers	\$163,213,829	(\$115,810,747)	\$47,403,082
13	Institutions	130,383,428	(69,570,994)	60,812,434
14	Total all funds	\$293,597,257	(\$185,381,741)	\$108,215,516
15	Less estimated income	114,273,300	(84,296,246)	29,977,054
16	Total general fund	\$179,323,957	(\$101,085,495)	\$78,238,462
17	<u>Subdivision 4.</u>			
18	<u>COUNTY SOCIAL SERVICE FINANCING</u>			
19			Adjustments or	
20		Base Level	Enhancements	Appropriation
21	County social services	\$189,917,386	\$7,746,275	\$197,663,661
22	Total all funds	\$189,917,386	\$7,746,275	\$197,663,661
23	Less estimated income	188,676,995	8,969,793	197,646,788
24	Total general fund	\$1,240,391	(\$1,223,518)	\$16,873
25	<u>Subdivision 5.</u>			
26	<u>TOTAL - SECTION 1</u>			
27			Adjustments or	
28		Base Level	Enhancements	Appropriation
29	Grand total general fund	\$1,554,787,654	\$370,845,291	\$1,925,632,945
30	Grand total special funds	2,895,308,348	487,749,487	3,383,057,835

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1	<u>Grand total all funds</u>	<u>\$4,450,096,002</u>	<u>\$858,594,778</u>	<u>\$5,308,690,780</u>
2	<u>Full-time equivalent positions</u>	<u>2,265.33</u>	<u>0.00</u>	<u>2,265.33</u>
3	SECTION 2. ONE-TIME FUNDING. The following amounts reflect the one-time funding			
4	items approved by the sixty-seventh legislative assembly for the 2021-23 biennium:			
5	<u>One-Time Funding Description</u>	<u>2021-23</u>	<u>2023-25</u>	
6	Technology projects	\$67,596,372	\$72,000,000	
7	<u>Technology projects</u>	<u>\$67,596,372</u>	<u>\$71,000,000</u>	
8	Quality measures	45,375		0
9	Nursing payment methodology	7,200,000		0
10	Developmental disabilities provider stabilization grants	125,000		0
11	Human service center projects	724,000		735,154
12	Opioid settlement funding	2,000,000		0
13	Special session one-time appropriations	138,389,558		0
14	State hospital design	0	5,000,000	
15	<u>State hospital design</u>	<u>0</u>	<u>12,500,000</u>	
16	<u>Service grants</u>	<u>0</u>	<u>585,000</u>	
17	<u>Cross-disability advisory council</u>	<u>0</u>	<u>1,400,000</u>	
18	<u>Behavioral health facility grants</u>	<u>0</u>	<u>1,950,000</u>	
19	<u>Base care payment study</u>	<u>0</u>	<u>600,000</u>	
20	<u>Health care task force</u>	<u>0</u>	<u>750,000</u>	
21	Operating inflation	0		20,564,344
22	Field services revenue replacement	0	36,028,141	
23	Program integrity audits	0		4,500,000
24	Pregnant and parenting residential	0		1,000,000
25	Workforce initiative	0	13,000,000	
26	Total all funds	\$216,080,305	\$152,827,639	
27	Less estimated income	191,847,089	97,267,326	
28	Total general fund	\$24,233,216	\$55,560,313	
29	<u>Law enforcement telehealth</u>	<u>0</u>	<u>2,650,000</u>	
30	<u>Total all funds</u>	<u>\$216,080,305</u>	<u>\$118,234,498</u>	

1	<u>Less estimated income</u>	<u>191,847,089</u>	<u>103,752,326</u>
2	<u>Total general fund</u>	<u>\$24,233,216</u>	<u>\$14,482,172</u>

3 **SECTION 3. APPROPRIATION - UNIVERSITY OF NORTH DAKOTA SCHOOL OF**
4 **MEDICINE AND HEALTH SCIENCES - CLINICAL INTEGRATED NETWORK GRANT.**

- 5 1. There is appropriated out of any moneys in the community health trust fund in the
6 state treasury, not otherwise appropriated, the sum of \$3,500,000, or so much of the
7 sum as may be necessary, to the university of North Dakota school of medicine and
8 health sciences for the purpose of the center for rural health awarding a grant to a
9 clinically integrated network, for the biennium beginning July 1, 2023, and ending
10 June 30, 2025.
- 11 2. To qualify for a grant under this section, an applicant:
- 12 a. Must be a statewide value-based clinically integrated network that supports a
13 majority of the independent critical access hospitals in the state.
- 14 b. Must certify one dollar of matching funds for every five dollars of grant funds
15 awarded.
- 16 c. Shall demonstrate a strategic plan to accomplish the following goals:
- 17 (1) Implementation of a data-sharing platform;
- 18 (2) Utilization of value-based care contract modeling;
- 19 (3) Utilization of data analytics software to provide for risk stratification and
20 referral management capabilities;
- 21 (4) Development of unified care management practices; and
- 22 (5) Staffing of the clinically integrated network.
- 23 d. Shall agree during the 2023-25 and 2025-27 bienniums to make annual reports
24 to the department of health and human services and the center for rural health on
25 the use of the grant funds and the status of accomplishing the clinically integrated
26 network strategic plan goals.

27 **SECTION 4. APPROPRIATION - 2021-23 BIENNIUM - CHILD SUPPORT.** There is
28 appropriated out of any moneys in the department of health and human services operating fund
29 in the state treasury, not otherwise appropriated, the sum of \$4,500, or so much of the sum as
30 may be necessary, to the the department of health and human services for the purpose of
31 repayment of moneys, including interest, not withheld by the state in accordance with section

1 14-09-09.16 from an obligor's unemployment benefits from June 1, 2021, through
2 September 30, 2021, for the period beginning with the effective date of this section and ending
3 June 30, 2023.

4 **SECTION 5. FUNDING TRANSFERS - EXEMPTION - AUTHORIZATION - REPORT.**

5 Notwithstanding section 54-16-04, the director of the office of management and budget shall
6 transfer appropriation authority between line items within subdivisions 1, 2, ~~and 3, and 4~~ of
7 section 1 of this Act, section 1 of House Bill No. 1004 as approved by the sixty-eighth legislative
8 assembly, and any remaining appropriation authority for the department of health and human
9 services approved by the sixty-eighth legislative assembly for the biennium beginning July 1,
10 2023, and ending June 30, 2025, as requested by the department of health and human
11 services. ~~Notwithstanding section 54-16-04, the director of the office of management and~~
12 ~~budget shall transfer appropriation authority from line items within subdivisions 1, 2, and 3 of~~
13 ~~section 1 of this Act, section 1 of House Bill No. 1004 as approved by the sixty-eighth legislative~~
14 ~~assembly and any remaining appropriation authority for the department of health and human~~
15 ~~services approved by the sixty-eighth legislative assembly to subdivision 4 of section 1 of this~~
16 ~~Act for the biennium beginning July 1, 2023, and ending June 30, 2025, as requested by the~~
17 ~~department of health and human services.~~ The department of health and human services may
18 use the transfer authority in this section to transfer or expend funds for the continuation of the
19 community behavioral health program pursuant to section 54-23.3-10. The department of health
20 and human services shall notify the legislative council of any transfer made pursuant to this
21 section. The department shall report to the budget section after June 30, 2024, any transfer
22 made in excess of \$50,000 and to the appropriations committees of the sixty-ninth legislative
23 assembly regarding any transfers made pursuant to this section.

24 **SECTION 6. TRANSFER OF APPROPRIATION AUTHORITY.** Section 1 of this Act and

25 section 1 of House Bill No. 1004 include appropriation authority for the department of health and
26 human services for the biennium beginning July 1, 2023, and ending June 30, 2025. On July 1,
27 2023, the office of management and budget shall combine the appropriation authority contained
28 in section 1 of this Act and section 1 of House Bill No. 1004, and any other appropriation
29 authority for the department of health and human services in other bills approved by the
30 sixty-eighth legislative assembly, into one budget for the department of health and human

1 services. The department of health and human services shall submit one budget request for the
2 biennium beginning July 1, 2025, and ending June 30, 2027.

3 **SECTION 7. FULL-TIME EQUIVALENT POSITION BLOCK GRANT PROGRAM -**
4 **REPORT.** Subdivision 1 of section 1 of this Act includes funding for a full-time equivalent
5 position block grant program. This funding, along with salaries and wages funding appropriated
6 in House Bill No. 1004, as approved by the sixty-eighth legislative assembly, is available to fund
7 full-time equivalent positions as determined by the department of health and human services.
8 Notwithstanding any other provision of law, the department is authorized to increase or
9 decrease authorized full-time equivalent positions subject to the availability of funds and the
10 provisions of this section. The department may not increase full-time equivalent positions for the
11 purpose of transferring human service zone employees to state employment. Pursuant to
12 section 5 of this Act, the department is authorized to transfer funding to and from the salaries
13 and wages block grant line item. The department shall report to the office of management and
14 budget and legislative council any adjustments to full-time equivalent positions. The department
15 shall provide reports to the legislative management regarding the use of funding for the
16 program.

17 **SECTION 8. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND -**
18 **HUMAN SERVICE FINANCE FUND.** The office of management and budget shall transfer the
19 sum of ~~\$21,600,000~~\$26,950,000 from the strategic investment and improvements fund to the
20 human service finance fund during the biennium beginning July 1, 2023, and ending June 30,
21 2025.

22 **SECTION 9. ESTIMATED INCOME - HUMAN SERVICE FINANCE FUND.** The estimated
23 income line ~~item~~items in ~~subdivision~~subdivisions 1 and 4 of section 1 of this Act includes the
24 sum of ~~\$221,600,000~~\$226,950,000 from the human service finance fund for state-paid
25 economic assistance and social and human services.

26 **SECTION 10. ESTIMATED INCOME - COMMUNITY HEALTH TRUST FUND.** The
27 estimated income line ~~item~~items in ~~subdivision~~subdivisions 1 and 2 of section 1 of this Act
28 includes the sum of ~~\$20,400,000~~\$24,317,500 from the community health trust fund for ~~defraying~~
29 ~~expenses of the child support computer replacement project~~the following purposes:

30 1. The sum of \$20,400,000 for the child support computer replacement project;

31 2. The sum of \$1,867,500 for the 988 crisis hotline program;

1 3. The sum of \$700,000 for costs to implement the cross-disability advisory council;

2 4. The sum of \$600,000 for a study of basic care funding rates; and

3 5. The sum of \$750,000 for costs of the health care task force.

4 ~~SECTION 11. ESTIMATED INCOME - LEGACY EARNINGS FUND. The estimated income~~
5 ~~line item in subdivision 2 of section 1 of this Act includes the sum of \$7,000,000 from the legacy~~
6 ~~earnings fund for defraying expenses for the child care assistance programs.~~

7 **SECTION 11. ESTIMATED INCOME - HEALTH CARE TRUST FUND.** The estimated
8 income line item in subdivision 2 of section 1 of this Act includes the sum of \$500,000 from the
9 health care trust fund for basic care facility bad debt expense.

10 **SECTION 12. ESTIMATED INCOME - FEDERAL STATE FISCAL RECOVERY FUND.** The
11 estimated income line items in subdivisions 2 and 3 of section 1 of this Act includes the sum of
12 \$3,235,000 from the federal state fiscal recovery fund for the following purposes:

- 13 1. The sum of \$2,650,000 to implement a virtual behavioral health crisis care program for
14 rural law enforcement;
- 15 2. The sum of \$300,000 for crisis organizations that provide crisis services to young
16 adults who are at risk of being homeless or experiencing other serious adverse life
17 events. After July 1, 2024, this funding may be provided only to organizations that are
18 certified in services provided by the organization; and
- 19 3. The sum of \$285,000 for grants to volunteer-based ecumenical ministry organizations.

20 **SECTION 13. ESTIMATED INCOME - CHARITABLE GAMING OPERATING FUND.**
21 Notwithstanding section 53-06.1-11.2, the estimated income line item in subdivision 2 of
22 section 1 of this Act includes the sum of \$500,000 from the charitable gaming operating fund for
23 costs of gambling disorder prevention services.

24 **SECTION 14. ESTIMATED INCOME - STRATEGIC INVESTMENT AND IMPROVEMENTS**
25 **FUND.** The estimated income line item in subdivision 5 of section 1 of this Act includes the sum
26 of ~~\$17,735,154~~\$25,235,154 from the strategic investment and improvements fund for the
27 following purposes:

- 28 1. The sum of \$11,000,000 for the procurement and grants management system;
- 29 2. The sum of ~~\$5,000,000~~\$12,500,000 for the design of a new state hospital;
- 30 3. The sum of \$1,000,000 for pregnant and parenting women residential facilities; and
- 31 4. The sum of \$735,154 for projects at the southeast human service center.

1 | **SECTION 15. BEHAVIORAL HEALTH FACILITY GRANTS.** Section 1 of this Act includes
2 the sum of \$1,950,000 from the general fund for the purpose of providing a one-time behavioral
3 health facility grant to establish a behavioral health facility in the northwest human service
4 center region, for the biennium beginning July 1, 2023, and ending June 30, 2025. The
5 department of health and human services shall provide a grant as follows:

- 6 1. The grant recipient must provide matching funds of \$1,750,000 to establish the facility.
- 7 2. The grant term must be for five years.
- 8 3. The requirements of chapter 54-44.4 do not apply to the selection of a grant recipient,
9 the grant award, or payments made under this section.
- 10 4. To receive the grant, the behavioral health facility shall:
 - 11 a. Submit an application in the form and manner prescribed by the department;
 - 12 b. Enter a grant agreement with the department;
 - 13 c. Use grant funds to support the provision of behavioral health in the grant award
14 service areas;
 - 15 d. Provide and disclose information needed to comply with the department's data
16 collection requirements; and
 - 17 e. Operate in compliance with grant requirements.
- 18 5. The department may recapture grant funds distributed to a grant recipient found by the
19 department to be out of compliance with the requirements established by the grant
20 program, including ending or reducing the operation of the behavioral health facility in
21 the service area.
- 22 6. The department may not collect property, equipment, or supplies purchased with grant
23 funds from the grant recipient after successful completion of the terms of the grant.

24 **SECTION 16. HEALTH CARE TASK FORCE - APPROPRIATION - REPORT.**

25 Subdivision 1 of section 1 of this Act includes the sum of \$750,000 from the community health
26 trust fund for expenses of the health care task force and for the purpose of facilitating the task
27 force. The task force may seek funding from outside sources and any funds received are
28 appropriated to the department of health and human services for activities of the task force for
29 the biennium beginning July 1, 2023, and ending June 30, 2025. The purpose of the task force
30 is to understand and create transparency around health care costs and the drivers of cost
31 growth with the goal of lessening the impact of rising health care costs to citizens, businesses,

1 and government. The task force shall take a holistic view to include the full payor mix, including
2 the uninsured and charity care. The task force shall collect and analyze health care spending
3 data to create meaningful actions to slow spending growth and improve health care access and
4 quality. The task force shall meet at least once each quarter and may request, obtain, review,
5 and analyze information relating to North Dakota health care, including data, reports, audits,
6 and other information as requested by the task force.

7 **SECTION 17. CAPITAL PAYMENTS.** During the biennium beginning July 1, 2023, and
8 ending June 30, 2025, the department of health and human services is authorized to expend
9 funds for the payment of special assessments at the state hospital, southeast human service
10 center, and life skills and transition center. Pursuant to section 35 of this Act, the director of the
11 office of management and budget may transfer appropriation authority between line items within
12 subdivisions 1, 2, and 3 of section 1 of this Act, section 1 of House Bill No. 1004, and any
13 remaining appropriation authority for the department of health and human services approved by
14 the sixty-eighth legislative assembly. The department may transfer funds for the payment of
15 special assessments at the state hospital, southeast human service center, and life skills and
16 transition center ahead of the special assessments schedule. Notwithstanding section 54-27-12,
17 the department may spend funds for the payment of special assessments at the state hospital
18 and life skills and transition center.

19 **SECTION 18. CAPITAL PROJECTS - EMERGENCY COMMISSION APPROVAL.** During
20 the biennium beginning July 1, 2023, and ending June 30, 2025, the department of health and
21 human services is authorized to proceed with the demolition of the administrative building and
22 employee building and associated tunnels at the state hospital. Pursuant to section 35 of this
23 Act, the director of the office of management and budget may transfer appropriation authority
24 between line items within subdivisions 1, 2, and 3 of section 1 of this Act, section 1 of House Bill
25 No. 1004, and any remaining appropriation authority for the department of health and human
26 services approved by the sixty-eighth legislative assembly. The department may transfer funds
27 for the demolition of the identified buildings and associated tunnels and for emergency capital
28 projects. Notwithstanding section 54-27-12, the department of health and human services may
29 spend up to \$5,000,000 for emergency projects under this section and may seek emergency
30 commission approval to spend more than \$5,000,000 under this section.

1 **SECTION 19. CHILD CARE FINANCIAL ASSISTANCE - DIRECT PAYMENTS.**

2 ~~Subdivision 2 of section 1 of this Act includes the sum of \$1,000,000 for the purpose of financial~~
3 ~~assistance and direct payments for child care services for the biennium beginning July 1, 2023,~~
4 ~~and ending June 30, 2025.~~ Notwithstanding subsection 3 of section 50-11.1-14.1, the
5 department may provide financial assistance to beneficiaries related to child care services. The
6 requirements of chapter 54-44.4 do not apply to this subsection, including the selection of
7 recipients and the disbursement of funds.

8 **SECTION 20. PERMANENT SUPPORTIVE HOUSING GRANTS.** Subdivision 2 of
9 section 1 of this Act includes the sum of \$4,672,536 from the general fund for permanent
10 supportive housing grants. The department of health and human services shall develop a
11 funding methodology to distribute the funding to qualified entities that utilize best practices for
12 permanent supportive housing, provide recovery-oriented and person-centered services, submit
13 process and outcome measures to the department, and authorize the department to conduct
14 onsite visits to review program operations.

15 **SECTION 21. STATE HOSPITAL PROJECT - COMMUNITY ACUTE PSYCHIATRY -**
16 **REPORT.** Subdivision 3 of section 1 of this Act includes the sum of ~~\$5,000,000~~\$12,500,000
17 from the strategic investment and improvements fund as identified in section 14 of this Act for
18 the design of a new state hospital. As part of the design process, the department of health and
19 human services shall consider statewide acute psychiatric needs, including the establishment of
20 acute psychiatric facilities in Dickinson, Williston, Minot, Devils Lake, and Grand Forks and shall
21 consider collaborating and entering partnerships with local mental health and substance use
22 disorder providers. The department shall present a report to the sixty-ninth legislative assembly
23 regarding options for a new state hospital. The requirements of chapter 54-44.7 do not apply to
24 the selection of a vendor, the procurement award, or payments made under this section
25 regarding the design process and design of the new state hospital.

26 **SECTION 22. EXPENDITURES MAY NOT EXCEED APPROPRIATION - MEDICAL**
27 **ASSISTANCE EXPANSION PROGRAM - APPLICATION.**

28 1. Subdivision 2 of section 1 of this Act includes the sum of ~~\$942,550,279~~\$802,616,809,
29 of which ~~\$94,225,028~~\$80,261,681 is from the general fund, for the medical assistance
30 expansion program for the biennium beginning July 1, 2023, and ending June 30,

- 1 2025. The expenditures for individuals eligible for the medical assistance expansion
2 program may not exceed this amount.
- 3 2. The department of health and human services may exceed appropriations for
4 increases in medical assistance expansion program caseload, for the addition of
5 coverage consistent with the traditional Medicaid 1915(i) state plan, utilization rates,
6 and unwinding of the federal Medicaid continuous enrollment requirement, and
7 reduction in federal medical assistance percentage.
- 8 3. The managed care organization under contract with the department to manage the
9 medical assistance expansion program shall reimburse providers within the same
10 provider type and specialty at consistent levels and with consistent methodology and
11 may not provide incentive, quality, or supplemental payments to providers, unless part
12 of a value-based program approved by the department. The managed care
13 organization shall reimburse all North Dakota substance use providers of American
14 society of addiction medicine level 2.5 at consistent levels and with consistent
15 methodology. The managed care organization may consider urban and rural providers
16 as different provider types. ~~Critical access hospitals may not be paid less than one~~
17 ~~hundred percent of Medicare allowable costs.~~
- 18 4. The managed care organization and the department of health and human services
19 shall ensure payments to Indian or Tribal 638 health care providers, federally qualified
20 health centers, and rural health clinics meet the federally required minimum levels of
21 reimbursement. Critical access hospitals may not be paid less than one hundred
22 percent of Medicare allowable costs and human service centers may not be paid less
23 than one hundred percent of the current traditional Medicaid rate. Behavioral health
24 services involving partial hospitalization, intensive outpatient, professional services,
25 and residential behavioral health services provided in facilities that are not institutions
26 for mental diseases are not subject to the provisions in subsection 6.
- 27 5. The department of health and human services shall ensure providers within the same
28 provider type and specialty are reimbursed at consistent levels and with consistent
29 methodology and shall ensure the capitation rates under risk contracts are actuarially
30 sound and are adequate to meet managed care organization contractual requirements

1 regarding availability of services, assurance of adequate capacity and services, and
2 coordination and continuity of care.

3 6. Except for the provisions in subsection 4, managed care organization premium
4 payments must be built using the assumption that rates paid to providers under the
5 medical assistance expansion program may not exceed one hundred forty-five percent
6 of Medicare reimbursement. This subsection applies to any medical assistance
7 expansion program provider fee schedule that becomes effective on or after
8 January 1, 2025.

9 **SECTION 23. DEPARTMENT OF HEALTH AND HUMAN SERVICES - PUBLIC AND**
10 **PARENTING RESOURCE WEBSITE.** The department of health and human services shall
11 develop and maintain a state internet website that provides information and links to social
12 services, financial assistance, parenting information, maternal and childbirth life services,
13 planning guidance, care centers and agencies, and other available public and private resources
14 for expectant families and new parents. The department may contract with a third party for the
15 development of the website. The website must be operational by August 1, 2023, and have a
16 domain name life.nd.gov or a similar domain name. The website must be distinct from the
17 department's website and the department shall place a clear and conspicuous link to the
18 website on the department website.

19 **SECTION 24. QUARTERLY BUDGET AND UTILIZATION REPORTS.** During the biennium
20 beginning July 1, 2023, and ending June 30, 2025, the department of health and human
21 services shall make quarterly reports available that detail the status of the department's budget
22 and the utilization rates of programs. The reports must be made available within 30 days of the
23 close of each quarter.

24 **SECTION 25. AMENDMENT.** Subsection 2 of section 12.1-04-07 of the North Dakota
25 Century Code is amended and reenacted as follows:

26 2. An examination must occur within fifteen days from receipt of material necessary to
27 examine the fitness of the individual and notice of entry of the order served upon the
28 tier 1a mental health professional. Attorneys shall disclose any materials necessary to
29 examine the fitness of the individual to the tier 1a examiner contemporaneously with
30 the order. For good cause shown, the court may grant an extension allowing an
31 additional seven days to complete the examination.

1 **SECTION 26. AMENDMENT.** Section 50-01.2-01 of the North Dakota Century Code is
2 amended and reenacted as follows:

3 **50-01.2-01. Human service zone board - Members - Qualifications.**

4 The board of county commissioners of each county within the human service zone shall
5 appoint the appointed members of the human service zone board based upon fitness to serve
6 as members by reason of character, experience, and training without regard to political
7 affiliation. Appointed members of the human service zone board must consist of local elected
8 officials and other key community partners, including at least one member of the legislative
9 assembly. If a human service zone consists of two or more counties, each county must be
10 represented on the human service zone board by only one county commissioner of that county.
11 If a human service zone consists of a single county, the county must be represented on the
12 human service zone board by no more than two county commissioners of that county and the
13 human service zone board must have at least five appointed members. Appointed members
14 shall elect a vice presiding officer and appoint a secretary, and other officers as the human
15 service zone board determines necessary. The human service zone director shall serve as
16 presiding officer of the human service zone board as a nonappointed member.

17 **SECTION 27. AMENDMENT.** Section 50-06-42 of the North Dakota Century Code is
18 amended and reenacted as follows:

19 **50-06-42. Substance use disorder treatment voucher system. (~~Retroactive application~~**
20 **~~- See note~~)**

- 21 1. The department shall establish and administer, within the limits of legislative
22 appropriations, a voucher system to address underserved areas and gaps in the
23 state's substance abuse treatment system and to assist in the payment of addiction
24 treatment services provided by licensed substance abuse treatment programs,
25 excluding regional human service centers; and hospital- or medical clinic-based
26 programs for medical management of withdrawal, ~~and any institution for mental~~
27 ~~diseases in accordance with subsection 2.~~ An out-of-state licensed substance abuse
28 treatment program located within a bordering state may participate in the voucher
29 program to serve an underserved area of this state pursuant to the rules adopted by
30 the department. The department shall develop rules to include processes and
31 requirements for an out-of-state provider to receive reimbursement only for outpatient

1 and community-based services upon a provider completing an assessment of need
2 and receiving approval from the department.

3 2. ~~The department shall deny a licensed substance abuse treatment program's~~
4 ~~substance use disorder treatment voucher system application and deny~~
5 ~~reimbursement by the substance use disorder treatment voucher system if the~~
6 ~~licensed substance abuse treatment program is an institution for mental diseases and~~
7 ~~reimbursement is requested for residential beds added on or after July 1, 2020.~~

8 3. Services eligible for the voucher program include only those levels of care recognized
9 by the American society of addiction medicine, with particular emphasis given to
10 underserved areas and programs. The department shall ensure that a licensed
11 substance abuse treatment program, hospital, and medical clinic program accepting
12 vouchers collects and reports process and outcome measures.

13 4.3. The department shall develop requirements and provide training and technical
14 assistance to a licensed substance abuse treatment program, hospital, and medical
15 clinic program accepting vouchers. A licensed substance abuse treatment program,
16 hospital, and medical clinic program accepting vouchers shall provide evidence-based
17 services.

18 5.4. The department shall allocate funding appropriated for the substance use disorder
19 treatment voucher as follows:

20 a. No more than forty-five percent of the appropriated amount may be allocated for
21 residential substance use disorder services administered by licensed substance
22 abuse treatment programs with more than sixteen beds.

23 b. The remaining appropriation must be allocated for residential programs with
24 sixteen or fewer beds, nonresidential outpatient, and ancillary substance use
25 disorder services administered by licensed substance abuse treatment programs.

26 **SECTION 28.** A new section to chapter 50-06 of the North Dakota Century Code is created
27 and enacted as follows:

28 **North Dakota legislative health care task force - Duties - Membership - Legislative**
29 **management report.**

30 **There is created a North Dakota legislative health care task force. The task force shall meet**
31 **at least once each quarter and may request, obtain, review, and analyze information relating to**

1 North Dakota health care, including data, reports, audits, and other information as requested by
2 the task force. The department of health and human services shall provide staff services for the
3 task force. The task force shall submit a report of its activities and any recommendations to
4 improve health care in the state to the legislative management by October first of each year.
5 The chairman of the task force must be a member of the legislative assembly appointed by the
6 chairman of the legislative management. The chairman of the task force may invite guests to
7 participate in task force activities. The task force consists of the following members:

8 1. The chairman of the house appropriations committee human resources division, or the
9 chairman's designee;

10 2. The chairman of the senate appropriations committee human resources division, or
11 the chairman's designee;

12 3. The chairman of the house human services committee, or the chairman's designee;

13 4. The chairman of the senate human services committee, or the chairman's designee;

14 5. One member of the house of representatives as appointed by the house minority
15 leader;

16 6. One member of the senate as appointed by the senate minority leader;

17 7. The commissioner of the department of health and human services, or the
18 commissioner's designee;

19 8. Two members of the department of health and human services, including the state
20 health officer and one member appointed by the commissioner of the department of
21 health and human services;

22 9. One member from the governor's office, appointed by the governor;

23 10. The insurance commissioner, or the insurance commissioner's designee;

24 11. Two members to represent the North Dakota health insurance industry;

25 12. One member of the public, appointed by an organization that represents North Dakota
26 businesses;

27 13. One member appointed by the Indian affairs commissioner to represent tribal health
28 care;

29 14. One member from a North Dakota association that represents physicians;

30 15. Five members from a North Dakota association that represents hospitals, of which:

- 1 a. Two members must represent rural hospitals, including one representative of a
- 2 hospital in a city with a population of ten thousand or more and one
- 3 representative of a hospital in a city with a population under ten thousand;
- 4 b. Two members must represent urban hospitals, including one representative of an
- 5 independent hospital and one representative of an integrated health care system;
- 6 and
- 7 c. One member must represent a psychiatric hospital; and
- 8 16. Any other members appointed by the chairman of legislative management.

9 **SECTION 29. AMENDMENT.** Section 50-11.1-02 of the North Dakota Century Code is
10 amended and reenacted as follows:

11 **50-11.1-02. Definitions.** ~~(Effective through June 30, 2025)~~

12 As used in this chapter, unless the context or subject matter otherwise requires:

- 13 1. "Authorized agent" means the human service zone, unless another entity is
- 14 designated by the department.
- 15 2. "Child care center" means an early childhood program licensed to provide early
- 16 childhood services to nineteen or more children.
- 17 3. "Department" means the department of health and human services.
- 18 4. "Drop-in care" means the care of children on a one-time, occasional, or unscheduled
- 19 basis to meet the short-term needs of families.
- 20 5. "Early childhood program" means any program licensed under this chapter where
- 21 early childhood services are provided for at least two hours a day for three or more
- 22 days a week.
- 23 6. "Early childhood services" means the care, supervision, education, or guidance of a
- 24 child or children, which is provided in exchange for money, goods, or other services.
- 25 Early childhood services does not include:
 - 26 a. Substitute parental child care provided pursuant to chapter 50-11.
 - 27 b. Child care provided in any educational facility, whether public or private, in grade
 - 28 one or above.
 - 29 c. Child care provided in a kindergarten which has been established pursuant to
 - 30 chapter 15.1-22 or a nonpublic elementary school program approved pursuant to
 - 31 section 15.1-06-06.1.

- 1 d. Child care, preschool, and prekindergarten services provided to children under
2 six years of age in any educational facility through a program approved by the
3 department.
- 4 e. Child care provided in facilities operated in connection with a church, business, or
5 organization where children are cared for during periods of time not exceeding
6 four continuous hours while the child's parent is attending church services or is
7 engaged in other activities, on the premises.
- 8 f. Schools or classes for religious instruction conducted by religious orders during
9 the summer months for not more than two weeks, Sunday schools, weekly
10 catechism, or other classes for religious instruction.
- 11 g. Summer resident or day camps for children which serve no children under six
12 years of age for more than two weeks.
- 13 h. Sporting events, practices for sporting events, or sporting or physical activities
14 conducted under the supervision of an adult.
- 15 i. Head start and early head start programs that are federally funded and meet
16 federal head start performance standards.
- 17 j. Child care provided in a medical facility by medical personnel to children who are
18 ill.
- 19 7. "Family child care" means a private residence licensed to provide early childhood
20 services for no more than seven children at any one time, except that the term
21 includes a residence licensed to provide early childhood services to two additional
22 school-age children.
- 23 8. "Four-year old program" means an approved child care program operated by a public
24 or private educational entity or an early childhood program designed to serve four-year
25 olds.
- 26 9. "Group child care" means a child care program licensed to provide early childhood
27 services for thirty or fewer children.
- 28 10. "Household member" means an adult living in the private residence out of which a
29 program is operated, regardless of whether the adult is living there permanently or
30 temporarily.

- 1 11. "Human service zone" means a county or consolidated group of counties
2 administering human services within a designated area in accordance with an
3 agreement or plan approved by the department.
- 4 12. "In-home provider" means any person who provides early childhood services to
5 children in the children's home.
- 6 13. "Licensed" means an early childhood program has the rights, authority, or permission
7 granted by the department to operate and provide early childhood services.
- 8 14. "Multiple licensed program" means an early childhood program licensed to provide
9 more than one type of early childhood services.
- 10 15. "Owner" or "operator" means the person who has legal responsibility for the early
11 childhood program and premises.
- 12 16. "Parent" means an individual with the legal relationship of father or mother to a child or
13 an individual who legally stands in place of a father or mother, including a legal
14 guardian or custodian.
- 15 17. "Premises" means the indoor and outdoor areas approved for providing early
16 childhood services.
- 17 18. "Preschool" means a program licensed to offer early childhood services, which follows
18 a preschool curriculum and course of study designed primarily to enhance the
19 educational development of the children enrolled and which serves no child for more
20 than three hours per day.
- 21 19. "Public approval" means a nonlicensed early childhood program operated by a
22 government entity that has self-certified that the program complies with this chapter.
- 23 20. "Registrant" means the holder of an in-home provider registration document issued by
24 the department in accordance with this chapter.
- 25 21. "Registration" means the process whereby the department maintains a record of all
26 in-home providers who have stated that they have complied or will comply with the
27 prescribed standards and adopted rules.
- 28 22. "Registration document" means a written instrument issued by the department to
29 publicly document that the registrant has complied with this chapter and the applicable
30 rules and standards as prescribed by the department.

- 1 23. "School-age child care" means a child care program licensed to provide early
2 childhood services on a regular basis for nineteen or more children aged five years
3 through eleven years.
- 4 24. "School-age children" means children served under this chapter who are at least five
5 years but less than twelve years of age.
- 6 25. "Self-declaration" means voluntary documentation of an individual providing early
7 childhood services in a private residence for up to five children through the age of
8 eleven, of which no more than three may be under the age of twenty-four months.
- 9 26. "Staff member" means an individual:
- 10 a. Who is an employee of an early childhood program or of an early childhood
11 services provider under a self-declaration;
- 12 b. Whose activities involve the care, supervision, or guidance of children of an early
13 childhood program; or
- 14 c. Who may have unsupervised access to children under the care, supervision, or
15 guidance of an early childhood program or early childhood services provider
16 under a self-declaration.

17 **Definitions. (Effective after June 30, 2025)**

18 ~~As used in this chapter, unless the context or subject matter otherwise requires:~~

19 ~~1. "Authorized agent" means the human service zone, unless another entity is~~
20 ~~designated by the department.~~

21 ~~2. "Child care center" means an early childhood program licensed to provide early~~
22 ~~childhood services to nineteen or more children.~~

23 ~~3. "Department" means the department of health and human services.~~

24 ~~4. "Drop-in care" means the care of children on a one-time, occasional, or unscheduled~~
25 ~~basis to meet the short-term needs of families.~~

26 ~~5. "Early childhood program" means any program licensed under this chapter where~~
27 ~~early childhood services are provided for at least two hours a day for three or more~~
28 ~~days a week.~~

29 ~~6. "Early childhood services" means the care, supervision, education, or guidance of a~~
30 ~~child or children, which is provided in exchange for money, goods, or other services.~~

31 ~~Early childhood services does not include:~~

- 1 ~~a. Substitute parental child care provided pursuant to chapter 50-11.~~
- 2 ~~b. Child care provided in any educational facility, whether public or private, in grade~~
- 3 ~~one or above.~~
- 4 ~~c. Child care provided in a kindergarten which has been established pursuant to~~
- 5 ~~chapter 15.1-22 or a nonpublic elementary school program approved pursuant to~~
- 6 ~~section 15.1-06-06.1.~~
- 7 ~~d. Child care, preschool, and prekindergarten services provided to children under~~
- 8 ~~six years of age in any educational facility through a program approved by the~~
- 9 ~~department.~~
- 10 ~~e. Child care provided in facilities operated in connection with a church, business, or~~
- 11 ~~organization where children are cared for during periods of time not exceeding~~
- 12 ~~four continuous hours while the child's parent is attending church services or is~~
- 13 ~~engaged in other activities, on the premises.~~
- 14 ~~f. Schools or classes for religious instruction conducted by religious orders during~~
- 15 ~~the summer months for not more than two weeks, Sunday schools, weekly~~
- 16 ~~catechism, or other classes for religious instruction.~~
- 17 ~~g. Summer resident or day camps for children which serve no children under six~~
- 18 ~~years of age for more than two weeks.~~
- 19 ~~h. Sporting events, practices for sporting events, or sporting or physical activities~~
- 20 ~~conducted under the supervision of an adult.~~
- 21 ~~i. Head start and early head start programs that are federally funded and meet~~
- 22 ~~federal head start performance standards.~~
- 23 ~~j. Child care provided in a medical facility by medical personnel to children who are~~
- 24 ~~ill.~~
- 25 ~~7. "Family child care" means a private residence licensed to provide early childhood~~
- 26 ~~services for no more than seven children at any one time, except that the term~~
- 27 ~~includes a residence licensed to provide early childhood services to two additional~~
- 28 ~~school-age children.~~
- 29 ~~8. "Group child care" means a child care program licensed to provide early childhood~~
- 30 ~~services for thirty or fewer children.~~

- 1 ~~9. "Household member" means an adult living in the private residence out of which a~~
2 ~~program is operated, regardless of whether the adult is living there permanently or~~
3 ~~temporarily.~~
- 4 ~~10. "Human service zone" means a county or consolidated group of counties~~
5 ~~administering human services within a designated area in accordance with an~~
6 ~~agreement or plan approved by the department.~~
- 7 ~~11. "In-home provider" means any person who provides early childhood services to~~
8 ~~children in the children's home.~~
- 9 ~~12. "Licensed" means an early childhood program has the rights, authority, or permission~~
10 ~~granted by the department to operate and provide early childhood services.~~
- 11 ~~13. "Multiple licensed program" means an early childhood program licensed to provide~~
12 ~~more than one type of early childhood services.~~
- 13 ~~14. "Owner" or "operator" means the person who has legal responsibility for the early~~
14 ~~childhood program and premises.~~
- 15 ~~15. "Parent" means an individual with the legal relationship of father or mother to a child or~~
16 ~~an individual who legally stands in place of a father or mother, including a legal~~
17 ~~guardian or custodian.~~
- 18 ~~16. "Premises" means the indoor and outdoor areas approved for providing early~~
19 ~~childhood services.~~
- 20 ~~17. "Preschool" means a program licensed to offer early childhood services, which follows~~
21 ~~a preschool curriculum and course of study designed primarily to enhance the~~
22 ~~educational development of the children enrolled and which serves no child for more~~
23 ~~than three hours per day.~~
- 24 ~~18. "Public approval" means a nonlicensed early childhood program operated by a~~
25 ~~government entity that has self-certified that the program complies with this chapter.~~
- 26 ~~19. "Registrant" means the holder of an in-home provider registration document issued by~~
27 ~~the department in accordance with this chapter.~~
- 28 ~~20. "Registration" means the process whereby the department maintains a record of all~~
29 ~~in-home providers who have stated that they have complied or will comply with the~~
30 ~~prescribed standards and adopted rules.~~

1 ~~21. "Registration document" means a written instrument issued by the department to~~
2 ~~publicly document that the registrant has complied with this chapter and the applicable~~
3 ~~rules and standards as prescribed by the department.~~

4 ~~22. "School-age child care" means a child care program licensed to provide early~~
5 ~~childhood services on a regular basis for nineteen or more children aged five years~~
6 ~~through eleven years.~~

7 ~~23. "School-age children" means children served under this chapter who are at least five~~
8 ~~years but less than twelve years of age.~~

9 ~~24. "Self-declaration" means voluntary documentation of an individual providing early~~
10 ~~childhood services in a private residence for up to five children through the age of~~
11 ~~eleven, of which no more than three may be under the age of twenty-four months.~~

12 ~~25. "Staff member" means an individual:~~

13 ~~a. Who is an employee of an early childhood program or of an early childhood~~
14 ~~services provider under a self-declaration;~~

15 ~~b. Whose activities involve the care, supervision, or guidance of children of an early~~
16 ~~childhood program; or~~

17 ~~c. Who may have unsupervised access to children under the care, supervision, or~~
18 ~~guidance of an early childhood program or early childhood services provider~~
19 ~~under a self-declaration.~~

20 **SECTION 30. AMENDMENT.** Section 50-11.1-22 of the North Dakota Century Code is
21 amended and reenacted as follows:

22 **50-11.1-22. Early childhood grant for best in class four-year old experiences. (Expired**
23 **effective July 1, 2025)**

24 1. A four-year old program deemed eligible under section 50-11.1-23 may submit an
25 application for the best in class four-year old experiences grant. An approved program
26 is eligible for an annual award of one hundred twenty thousand dollars per approved
27 group size. The grant award must be matched with no less than twenty thousand
28 dollars in other funds. The department shall assign a program support coach to each
29 approved program. An approved program:

30 a. Shall utilize the assigned support coach and utilize the sliding fee scale for parent
31 fees, as established by the department.

- 1 b. May use grant funds to support the provision of quality early childhood
- 2 experiences, including expenditures related to staffing, training, equipment, and
- 3 supplies.
- 4 c. May not use grant funds for construction or rehabilitation. An approved program
- 5 must enter a grant agreement with the department.
- 6 2. The department may not collect equipment or supplies purchased with grant funds
- 7 from the approved program after successful completion of the term of the grant.

8 **SECTION 31. AMENDMENT.** Section 50-11.1-23 of the North Dakota Century Code is
9 amended and reenacted as follows:

10 **50-11.1-23. Eligibility for best in class four-year old experiences grant.** ~~(Expired~~
11 ~~effective July 1, 2025)~~

- 12 1. A four-year old program may submit, in the form and manner prescribed by the
- 13 department, an application to the department for a grant under section 50-11.1-22, if
- 14 the provider certifies to the department the provider:
 - 15 a. Operates a four-year old program in this state;
 - 16 b. Operates a four-year old program for children who have reached four years of
 - 17 age before August first in the year of enrollment;
 - 18 c. Operates a four-year old program that has a duration of at least four hundred
 - 19 hours over a period of at least thirty-two consecutive weeks;
 - 20 d. Incorporates within the four-year old program at least ten hours of
 - 21 research-based family engagement;
 - 22 e. Has been determined to meet the standards and expectations of no less than
 - 23 step three in the North Dakota early childhood quality improvement system;
 - 24 f. Is willing to admit children of all learning abilities into the four-year old program;
 - 25 g. Is willing to admit children who receive assistance from the child care assistance
 - 26 program into the four-year old program; and
 - 27 h. Is willing to operate in compliance with the grant requirements, including:
 - 28 (1) Maintaining the recommended group size for number of children served in
 - 29 the four-year old program;

- 1 (2) Complying with requirements related to qualifications, training, and
2 professional development of staff delivering services in the four-year old
3 program; and
4 (3) Adhering to expectations established by the department related to four-year
5 old program monitoring and oversight.
- 6 2. The department may distribute grants under this section to approved four-year old
7 programs, including four-year old programs operated as early childhood programs by
8 educational facilities or federally funded head start programs or in connection with a
9 church, business, or organization that operates a four-year old program.
- 10 3. The department may recapture grant funds distributed to an approved four-year old
11 program found by the department to be out of compliance with requirements
12 established for the best in class four-year old experiences grant program.

13 **SECTION 32. AMENDMENT.** Section 50-11.1-24 of the North Dakota Century Code is
14 amended and reenacted as follows:

15 **50-11.1-24. Grant program data collection - Requirements.** ~~(Expired effective July 1,~~
16 ~~2025)~~

17 The state agency with approval authority over four-year old programs, with the advice and
18 consent of the department, shall implement a uniform system for the accounting, budgeting, and
19 reporting of data by any four-year old program provider to whom or to which grants are
20 distributed under section 50-11.1-23. Grants may be withheld or forfeited, in whole or in part, if
21 information required in accordance with this section is not submitted at the time or in the
22 manner requested by the state agency with approval authority over four-year old programs. A
23 grant recipient shall consent to provide information needed to comply with data collection
24 requirements. The state agency with approval authority over four-year old programs shall
25 disclose the requested information to the department.

26 **SECTION 33.** A new subsection to section 50-24.1-07 of the North Dakota Century Code is
27 created and enacted as follows:

28 In any probate proceedings in which the department has filed a claim under this
29 section, no additional evidence of foundation may be required for the admission of the
30 department's payment record supporting the department's claim if the payment record
31 is certified as a true copy and bears the signature of a representative of the

1 department. There is a rebuttable presumption that the amount of medical assistance
2 on the claim was incurred and paid on behalf of the recipient of medical assistance
3 and is an allowable claim.

4 **SECTION 34. AMENDMENT.** Section 50-24.1-26 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **50-24.1-26. Medicaid waivers - In-home services.**

7 The department shall administer Medicaid waivers to provide in-home services to children
8 with extraordinary medical needs and to children up to the age of ~~sixteen~~eighteen diagnosed
9 with an autism spectrum disorder who would otherwise meet institutional level of care. The
10 department may prioritize applicants for the waiver for children with extraordinary medical
11 needs by degree of need.

12 **SECTION 35. AMENDMENT.** Subsection 5 of section 50-24.1-37 of the North Dakota
13 Century Code is amended and reenacted as follows:

- 14 5. Provider and managed care organization reimbursement rate information received or
15 held by the department under this section is an open record.

16 **SECTION 36. AMENDMENT.** Section 50-24.5-02.3 of the North Dakota Century Code is
17 amended and reenacted as follows:

18 **50-24.5-02.3. Basic care payment rates.**

- 19 1. The department shall ~~establish, by rule, procedures for determining rates~~determine
20 limits for the care of residents of basic care facilities that qualify as vendors of an
21 aged, blind, and disabled persons program and for implementing provisions of this
22 chapter. ~~The procedures must be based on methods and standards that the~~
23 ~~department finds are adequate to recognize the~~data demonstrating the most recent
24 costs that must be incurred for the care of residents in efficiently and economically
25 operated basic care facilities. The department shall determine the limits every four
26 years by July first, beginning with July 1, 2023.
- 27 2. The department shall ~~identify costs that are recognized for establishing payment~~
28 ~~rates~~establish the limits by using the median rates from the most recent data available.
29 The direct care limit must be the median plus eighteen percent. The indirect care limit
30 must be the median plus twelve percent.

- 1 3. For the rate year beginning July 1, ~~2016~~2023, the department shall ~~establish the limits~~
2 ~~by using the average of the highest and lowest rates from the 2014 rate year. The~~
3 ~~direct care limit must be ninety-five percent of the average and the indirect care limit~~
4 ~~must be ninety percent of the average. Beginning with the July 1, 2017, rate year, the~~
5 ~~department shall adjust the limits by using the cost percentage change from the prior~~
6 ~~two rate years, within the limits of legislative appropriations~~increase rates and limits
7 three and one-half percent for inflation. For the rate year beginning July 1, 2024, the
8 department shall increase rates and limits three and one-half percent for inflation.
9 4. The department shall ~~provide, by rule, within the limits of legislative appropriations, for~~
10 ~~payment of rates paid by the aged, blind, and disabled persons program for a~~
11 ~~maximum of thirty days per occurrence for leave days for a resident who is in a~~
12 ~~licensed health care facility when the resident is expected to return to the~~
13 ~~facility~~provide a rate increase in the amount of five dollars per day for the period
14 beginning July 1, 2023, and ending June 30, 2025, after which the increase is not
15 effective. This rate increase may not be included in any calculation of inflation
16 increase.
17 5. Within the limits of legislative appropriations, the department shall establish an
18 uncompensated care expense of ~~one hundred eighty~~three hundred sixty-five days.

19 **SECTION 37. AMENDMENT.** Section 50-29-04 of the North Dakota Century Code is
20 amended and reenacted as follows:

21 **50-29-04. Plan requirements.**

22 The plan:

- 23 1. Must be consistent with coverage provided to children eligible for medical assistance
24 in the state; and
25 2. Must provide:
26 a. A modified adjusted gross income eligibility limit of ~~one~~two hundred
27 ~~seventy-five~~ten percent of the poverty line; and
28 b. Current eligibility may be established from the first day of the month in which the
29 application was received. Retroactive eligibility may be established for the three
30 calendar months that immediately preceded the month in which the application

1 was received even if there is no eligibility in the month of application. Eligibility
2 can be established if all factors of eligibility are met during each month.

3 **SECTION 38.** Two new subsections to the new section to chapter 54-52.1 of the North
4 Dakota Century Code as created by section 2 of Senate Bill No. 2140, as approved by the sixty-
5 eighth legislative assembly, are created and enacted as follows:

6 If application of subsection 3 would result in the ineligibility of a health benefit plan that
7 is a qualified high-deductible health plan to qualify as a health savings account under
8 section 223 of the Internal Revenue Code [26 U.S.C. 223], the requirements of
9 subsection 3 do not apply with respect to the deductible of the health benefit plan until
10 after the enrollee has satisfied the minimum deductible under section 26 U.S.C. 223.

11 This section does not apply to the Medicare part D prescription drug coverage plan.

12
13 **SECTION 39. REPEAL.** Section 50-06-32.1 of the North Dakota Century Code is repealed.

14 **SECTION 40. BUILDING PROJECT - LEASE.** The department of health and human
15 services is authorized to enter into agreements with vendors to build two buildings for the
16 department to lease for the lake region human service center and northwest human service
17 center for the biennium beginning July 1, 2023, and ending June 30, 2025.

18 **SECTION 41. LEASE OF LAND - STATE HOSPITAL.** The department of health and
19 human services and national guard may enter an agreement to lease up to twenty acres of real
20 property associated with the state hospital for the national guard to construct a new training and
21 storage facility.

22 **SECTION 42. PROVIDER PROCESS AND OUTCOME MEASURES.** Providers that
23 receive funding from the department of health and human services shall submit process and
24 outcome measures, as required by the department, to the department for programs and
25 services supported by state funding during the biennium beginning July 1, 2023, and ending
26 June 30, 2025, for the department to evaluate the administration of the programs and services
27 using the appropriation for the program or service.

28 **SECTION 43. HUMAN SERVICE CENTERS - CERTIFIED COMMUNITY BEHAVIORAL**
29 **HEALTH CLINICS - ~~CONTINGENT~~ FULL-TIME EQUIVALENT POSITIONS - REPORT -**
30 **EXEMPTION.** ~~Beginning with the effective date of this Act, the~~

1 1. The department of health and human services shall select ~~three~~ at least one human
2 service ~~centers~~ center to begin the process of becoming a certified community
3 behavioral health clinic to provide continuous community-based behavioral health
4 services for children and adults. The department shall pursue additional federal
5 funding as available. Subject to the availability of generated income, the department
6 may add ~~up to fifty~~ full-time equivalent positions for field services to provide direct
7 services for the period beginning with the effective date of this Act and ending
8 June 30, 2025. The department shall report to the office of management and budget
9 and legislative council each time a position is added.

10 2. The department may consider the inclusion of providers of integrated, wraparound
11 crisis services to young adults, who are at risk of being homeless or experiencing
12 serious adverse life events, into the creation of any certified community behavioral
13 health clinic.

14 3. The \$15,000,000 from the general fund appropriated to the department of health and
15 human services for the substance use disorder treatment voucher system in
16 chapter 12 of the 2021 Session Laws is not subject to the provisions of section
17 54-44.1-11, and any unexpended funds of up to \$4,150,000 from this appropriation
18 may be continued and spent for defraying the expenses of additional human service
19 centers to begin the process of becoming a certified community behavioral health
20 clinic to provide continuous community-based behavioral health services for children
21 and adults during the biennium beginning July 1, 2023, and ending June 30, 2025.

22 **SECTION 44. EXEMPTION - UNEXPENDED APPROPRIATIONS.** The following
23 appropriations are not subject to the provisions of section 54-44.1-11 and may be continued into
24 the biennium beginning July 1, 2023, and ending June 30, 2025:

- 25 1. The sum of \$750,000 appropriated from the general fund for suicide prevention grants
26 in chapter 37 of the 2019 Session Laws;
- 27 2. The sum of \$1,776,000 appropriated from the strategic investment and improvements
28 fund and the sum of \$5,328,000 appropriated from federal funds for the Medicaid
29 management information system technology stack upgrade in chapter 37 of the 2019
30 Session Laws;

- 1 3. The sum of \$600,000 appropriated from the general fund and the sum of \$1,800,000
- 2 appropriated from federal funds for the Medicaid management information system
- 3 technology stack upgrade in chapter 12 of the 2021 Session Laws;
- 4 4. The sum of \$4,326,686 appropriated from the general fund and the sum of
- 5 \$30,673,314 appropriated from federal funds for the Medicaid management
- 6 information system modularization technology project in chapter 12 of the 2021
- 7 Session Laws;
- 8 5. Any amounts appropriated to the department of health and human services in
- 9 chapter 549 of the 2021 Special Session Session Laws ~~of which the amount~~
- 10 ~~appropriated for medical assistance percentage adjustments may be used for the~~
- 11 ~~home and community-based services 10 percent enhancement plan;~~
- 12 6. Any amounts appropriated to the department of health and human services in
- 13 chapter 550 of the 2021 Special Session Session Laws;
- 14 7. Any amounts appropriated to the department of health and human services for
- 15 COVID-19 relief in chapters 27 and 28 of the 2021 Session Laws;
- 16 8. The amount appropriated for the modification of the department of human services'
- 17 eligibility systems in chapter 578 of the 2011 Special Session Session Laws which was
- 18 continued into the 2013-15 biennium, then the 2015-17 biennium, then the 2017-19
- 19 biennium, then the 2019-21 biennium, and then 2021-23 biennium; ~~and~~
- 20 9. The sum of \$2,000,000 appropriated for substance use disorder voucher system
- 21 grants in chapter 12 of the 2021 Session Laws which may be continued and spent
- 22 pursuant to section 50-06-42.1;
- 23 10. The sum of \$175,000 for home and community-based services housing assistance in
- 24 chapter 12 of the 2021 Session Laws; and
- 25 11. The sum of \$15,000,000 appropriated from the general fund and the sum of
- 26 \$15,000,000 appropriated from federal funds for the child welfare technology project in
- 27 chapter 12 of the 2021 Session Laws.

28 **SECTION 45. EXEMPTION - EARLY CHILDHOOD INFORMATION SYSTEM.** The

29 requirements of chapter 54-44.4 do not apply to the selection of a vendor, the procurement

30 award, or payments made under this section regarding an early childhood workforce and

1 professional development information system or an early childhood resource and referral
2 information system for the biennium beginning July 1, 2023, and ending June 30, 2025.

3 **SECTION 46. EXEMPTION - PURCHASE OF CONSUMABLES.** The requirements of
4 chapter 54-44.4 do not apply to the purchase of consumables at the department of health and
5 human services continuously staffed residential units during low-census time periods for the
6 biennium beginning July 1, 2023, and ending June 30, 2025.

7 **SECTION 47. LEGISLATIVE INTENT - UTILIZATION RATE ADJUSTMENT.** It is the intent
8 of the sixty-eighth legislative assembly that the department of health and human services seeks
9 a deficiency appropriation from the sixty-ninth legislative assembly for any expenditures that
10 exceed appropriated amounts as a result of underfunding, utilization rates, discontinuation of
11 the federal Medicaid continuous enrollment requirement, value-based purchasing for nursing
12 facilities, ~~and~~ reduction in federal medical assistance percentage, and unexpected contract cost
13 increases that exceed ten percent, during the biennium beginning July 1, 2023, and ending
14 June 30, 2025, if funding is not sufficient to pay actual expenses.

15 **SECTION 48. LEGISLATIVE INTENT - PROVIDER RATE INCREASE.** Except as
16 otherwise noted, section 1 of this Act includes funding for human service provider inflation
17 increases of ~~four~~three percent for each year of the biennium beginning July 1, 2023, and ending
18 June 30, 2025. Section 1 of this Act includes funding for developmental disability service
19 payment inflation increases of ~~seventwo~~two percent ~~the first~~each ~~year of the biennium and four~~
20 ~~percent the second year~~ of the biennium beginning July 1, 2023, and ending June 30, 2025.
21 The provider inflation increase in this section does not apply to nursing and basic care facilities
22 or prospective payment system hospitals that have different inflation rates.

23 **SECTION 49. DEVELOPMENTAL DISABILITY PROVIDER ADJUSTMENT.** Subdivision 2
24 of section 1 of this Act includes funding for developmental disability provider rate adjustments.
25 Adjustments must provide for the equivalent of a one dollar per hour increase for direct care
26 staff and the equivalent of a one dollar per hour increase for indirect program support staff of
27 licensed developmental disability providers. Developmental disability providers shall provide a
28 report to the department of health and human services as determined by the department. The
29 increase to direct care staff and related indirect program support staff does not apply to qualified
30 service provider rates as established under the long-term care program.

1 **SECTION 50. FEDERAL FUNDING APPEAL LIMITATION.** Except as otherwise
2 specifically provided by federal law, a person may not appeal a denial, revocation, reduction in
3 services or payment, or the termination of a program or service by the department of health and
4 human services due to the unavailability of federal coronavirus funding received under federal
5 law resulting from the federal coronavirus pandemic emergency declaration for the biennium
6 beginning July 1, 2023, and ending June 30, 2025.

7 **SECTION 51. LEGISLATIVE MANAGEMENT STUDY - EARLY CHILDHOOD**
8 **PROGRAMS AND SERVICES.** During the 2023-24 interim, the legislative management shall
9 consider studying the early child care programs and child care services to identify major needs
10 and systemic approaches to stabilize child care infrastructure. The legislative management shall
11 report its findings and recommendations, together with any legislation required to implement the
12 recommendations, to the sixty-ninth legislative assembly.

13 **SECTION 52. LEGISLATIVE MANAGEMENT STUDY - SOCIAL WORK LICENSURE**
14 **COMPACT.** During the 2023-24 interim, the legislative management shall consider studying the
15 feasibility and desirability of the legislative assembly enacting the social work licensure
16 compact. The study may include consideration of whether the public and the social work
17 community support enactment and whether the North Dakota board of social work examiners
18 has the capacity to participate in the compact. The legislative management shall report its
19 findings and recommendations, together with any legislation required to implement the
20 recommendations, to the sixty-ninth legislative assembly.

21 **SECTION 53. LEGISLATIVE MANAGEMENT STUDY - MEDICAID PROVIDER**
22 **REIMBURSEMENT ARRANGEMENTS.** During the 2023-24 interim, the legislative
23 management shall study the benefits of basing provider reimbursement rates for the Medicaid
24 program in accordance with a provider's performance under established and accepted value-
25 based care metrics. The legislative management shall report its findings and recommendations,
26 together with any legislation required to implement the recommendations, to the sixty-ninth
27 legislative assembly.

28 **SECTION 54. LEGISLATIVE MANAGEMENT STUDY - INTERMEDIATE CARE FACILITY**
29 **RATE FORMULA.** During the 2023-24 interim, the legislative management shall consider
30 studying the payment rates for intermediate care facilities, including options to increase the
31 rates. The study must consider the funded percentage of costs for services including day and

1 small group care, individual employment, in-home supports, respite care, habilitative care,
2 independent habitation, and residential habitation. The legislative management shall report its
3 findings and recommendations, together with any legislation required to implement the
4 recommendations, to the sixty-ninth legislative assembly.

5 **SECTION 55. SUPREME COURT STUDY - WELLNESS COURT - REPORT TO**
6 **LEGISLATIVE MANAGEMENT.** During the 2023-24 interim, the supreme court, in consultation
7 with the department of corrections and rehabilitation, the department of health and human
8 services, and the attorney general, shall study and identify those provisions of the North Dakota
9 Century Code which pertain to drug court and assess whether the term wellness court should
10 be adopted to replace drug court. The supreme court shall report its findings and
11 recommendations, together with any legislation required to implement the statutory change of
12 drug court to wellness court, to the legislative management by June 1, 2024.

13 **SECTION 56. LEGISLATIVE MANAGEMENT REPORT - EARLY CHILDHOOD**
14 **PROGRAMS.** During the 2023-24 interim, the department of health and human services shall
15 provide reports to the legislative management regarding the status of early childhood programs
16 managed by the department.

17 **SECTION 57. EFFECTIVE DATE.** Section ~~4939~~ of this Act becomes effective on January 1,
18 2024; Senate Bill No. 2181, as approved by the sixty-eighth legislative assembly, becomes
19 effective on October 1, 2023; and section 2 of Senate Bill No. 2276, as approved by the sixty-
20 eighth legislative assembly, becomes effective on April 1, 2024.

21 **SECTION 58. EMERGENCY.** Section 4 of this Act is declared to be an emergency
22 measure.