NORTH DAKOTA LEGISLATIVE COUNCIL

Minutes of the

BUDGET COMMITTEE ON LONG-TERM CARE

Tuesday and Wednesday, October 28-29, 1997
Harvest Room and Senate Chamber, State Capitol
Bismarck, North Dakota

Representative Bill Oban, Chairman, called the meeting to order at 9:05 a.m.

Members present: Representatives Bill Oban, Grant C. Brown, Ron Carlisle, James O. Coats, Jeff W. Delzer, Gereld F. Gerntholz, Shirley Meyer, Lynn J. Thompson; Senators Bill L. Bowman, Aaron Krauter, Evan E. Lips, Harvey Sand, Russell T. Thane

Member absent: Mike Callahan

Others present: See attached appendix

It was moved by Senator Lips, seconded by Representative Coats, and carried on a voice vote that the minutes of the previous meeting be approved as distributed.

The Legislative Council staff presented a memorandum entitled *Comparison of Acute Care, Swing Beds, Subacute Care, Congregate Housing, Assisted Living, Basic Care, and Nursing Homes*. The memorandum provides definitions and comparison of services, funding sources, and licensure requirements for each of the levels of care.

Ms. Beth Muehlberg, North Dakota Long Term Care Association, presented information on subacute care. A copy of her presentation is on file in the Legislative Council office. She said skilled nursing facilities and swing beds in the Fargo area opposed the approval of subacute facilities because the skilled nursing facilities and swing beds were able to care for subacute-level Medicare skilled patients at a cost less than the hospital-based subacute care units. Ms. Muehlberg said 24-hour care provided in alternate settings has the following estimated costs:

Basic care	$40 per day
Swing beds	$81 per day
Nursing homes (average for all case mix levels)	$89 per day
Developmental disabilities group homes	$163 per day
Developmental Center - Grafton	$338 per day
Hospital-based subacute	$517 per day

Ms. Muehlberg said there are four hospital-based subacute care units in North Dakota. She said United Hospital in Grand Forks has been approved for a subacute care unit, but it is not yet operational. She said the four existing units are located at St. Alexius in Bismarck (23 beds), Medcenter One in Bismarck (22 beds), Meritcare in Fargo (24 beds), and Dakota Heartland in Fargo (16 beds).

Ms. Muehlberg reviewed information on the average length of stay in subacute care units, average discharges per month from subacute care units, and discharge dispositions from subacute care units. She said she has tried to assess the impact of hospital-based subacute care units on the occupancy and Medicare utilization of nursing facilities and swing beds in the Fargo area. She said information gathered from skilled nursing facilities over the last three years indicates that overall bed occupancy, Medicare skilled utilization, and case mix rates have decreased in many facilities.

In response to a question from Representative Brown, Ms. Muehlberg said subacute care unit costs in North Dakota are comparable to regional costs of similar units. She said national cost information is not as accurate of a comparison due to higher costs in large urban areas.

Senator Krauter asked if the fact that subacute care units are not licensed for Medicaid creates a void for Medicaid-eligible individuals, because they would not be admitted to a subacute care unit and thereby not receive those services. Ms. Muehlberg said Medicaid-eligible individuals would probably receive services in a skilled nursing facility or swing bed instead of a subacute care unit.

Senator Bowman asked if it would be more cost beneficial to use something other than a subacute care unit. Ms. Muehlberg said it depends on bed availability within the area. She said long-term care bed availability is much tighter in Bismarck and Mandan than it is in Fargo. She said in addition some doctors want

the patient in a subacute care unit for a period of time in order to more easily monitor the patient.

Mr. Jim Hubbard, Medcenter One Mandan, presented information on Medcenter One's proposed plans for a long-term hospital in Mandan. He said Medcenter One Mandan has had financial difficulties for the past 20 years and can no longer continue providing the same levels of service. He said the hospital has stopped providing acute care and is contracting with Spectrum Comprehensive Care, Inc. (SCCI) from Dallas, Texas, to operate a long-term hospital in Mandan. He said Medcenter One Mandan will be the landlord and SCCI will lease the second and third floors for the long-term hospital.

Mr. Hubbard said this type of facility is new to North Dakota and its primary payment source will be Medicare. He said it will be reimbursed on a cost basis and patients must have an average length of stay of over 25 days.

Senator Sand asked if a patient would be able to be discharged and then readmitted to this facility. Mr. Hubbard said he did not believe that would be possible because the patients will be referred to this hospital by other acute care hospitals.

In response to a question from Senator Bowman, Mr. Hubbard said costs are kept under control by limiting the reimbursement to average regional costs.

Ms. Barb Fischer, Department of Human Services, said Medicare reimburses for reasonable costs. She said for three years the facility will be paid based on reasonable costs and after that period a base rate will be established. She said the base rate is then adjusted for annual inflation factors.

Senator Bowman asked if this facility is a way to circumvent the long-term care bed moratorium established by the Legislative Assembly. Mr. Hubbard said the types of patients to be served in this facility are not long-term care patients so it is not circumventing the long-term care bed moratorium. He said the patients are long-term acute care patients requiring hospital services. Mr. Hubbard said during the first six months of 1996 Medcenter One identified over 150 potential patients for this type of facility.

Senator Thane asked if there is a need for this type of facility in eastern North Dakota and if the Mandan facility will serve a region within the state or the entire state. Mr. Hubbard said he assumes the Mandan facility will serve the portion of the state from Jamestown west. He said in his opinion the eastern part of the state would probably be a good location for another facility like this.

Representative Delzer asked about other states in which this company operates long-term hospitals. Chairman Oban asked Mr. Hubbard to provide the information to the Legislative Council staff and said they would then distribute it to the committee members. Ms. Pat Wangler, Administrator, SCCI Hospitals - Central Dakotas, provided the following information to the Legislative Council staff:

Location	Opening Date
Houston, Texas	Already open
Victoria, Texas	Already open
Denver, Colorado	October 1997
Amarillo, Texas	Mid-November 1997
Kokomo, Indiana	Mid-November 1997
San Angelo, Texas	Mid-December 1997
Mandan, North Dakota	Mid-December 1997
Mansfield, Ohio	Early 1998
Lima, Ohio	Early 1998
Fargo, North Dakota	Next 3-4 months

BASIC CARE RATE EQUALIZATION

The Legislative Council staff presented a memorandum entitled *Legislative Intent of Basic Care Rate Equalization*. The memorandum provided information on the 1991-92 interim Budget Committee on Long-Term Care study of a state basic care program and the 1993-94 interim Budget Committee on Home and Community Care study of a rate equalization ratesetting methodology.

Senator Lips asked why the basic care ratesetting structure includes direct care rates at the 90th percentile. Ms. Fischer said at the time the methodology was developed, the nursing home rate methodology was also at the 90th percentile and the two methodologies were set up to be parallel with each other.

Ms. Fischer presented information on the status of the Task Force on Long-Term Care Planning's work on basic care rate equalization. A copy of her presentation is on file in the Legislative Council office. She said the task force has not met since this committee's last meeting but will be meeting and receiving industry input and developing recommendations for this committee. She presented updated information on the cost impact of rate equalization with the new ratesetting methodology. She said two facilities had a private pay rate change which has resulted in a decrease in the overall impact of rate equalization.

Ms. Fischer said the annual cost increase to the state basic care assistance program is $377,259, which is the same as previously presented to this committee. She said the total

annual cost increase to private pay residents is now estimated to be $203,709 per year, which is $25,868 less per year than previously presented to this committee.

ALZHEIMER'S AND RELATED DEMENTIA POPULATION PROJECTS AND AN EXPANDED CASE MANAGEMENT SYSTEM

Mr. Dave Zentner, Department of Human Services, presented information on the Alzheimer's and related dementia population pilot projects. A copy of his presentation is on file in the Legislative Council office. He said since this committee's last meeting, three entities have expressed an interest in developing an Alzheimer's and related dementia population pilot project. He said the three are the Baptist Home of Kenmare, a basic care facility; Hi Acres Manor, a nursing facility in Jamestown; and the Good Samaritan Society.

Mr. Zentner said the Baptist Home of Kenmare intends to remodel one floor of the existing building and convert it to a 12- to 14-bed Alzheimer's unit. He said the plans include beginning construction in February 1998 and having the unit operational by fall 1998. He said the department will meet with representatives of the facility to ensure that the cost, quality, and service delivery requirements are met before any renovation begins.

Mr. Zentner said the Hi Acres Manor nursing facility in Jamestown is in the process of adding an Alzheimer's unit to its present facility and is interested in determining if the new unit would qualify as a pilot project. He said the cost of the facility is relatively high because of the new construction and proposed staffing requirements. He said the department and the facility are currently reviewing cost information in order to determine if the new wing will qualify under the pilot project requirements.

Mr. Zentner said the department also contacted the Good Samaritan Society which operates 14 facilities in North Dakota. He said the Good Samaritan Society is interested in pursuing the possibility of developing one or two pilot projects which would involve converting wings of current facilities to Alzheimer's units. He said the department hopes a final decision on this project will be made by the end of the year.

Mr. Zentner said the ad hoc committee on residential services, definitions, and funding reorganization is interested in developing a seamless system of services whereby funding would follow the individual rather than funding dictating the service. He said the task force will be conducting a survey to assess the services currently provided by entities providing assisted living services. He said the task force is also examining state laws and regulations which define services and establish licensing requirements with the goal of making recommendations for changes that will better accommodate the delivery of long-term care services in the least restrictive and most cost-effective manner.

Mr. Marlowe Kro, Department of Human Services, presented information on the expanded case management pilot projects. A copy of his presentation is on file in the Legislative Council office. He said the ad hoc committee on expanded case management has met and developed focus areas related to the expanded case management pilot projects. He said the focus areas include:

1. Expanded case management review - A team of eight individuals has been formed to provide direct and indirect oversight and monitoring of the progress of the expanded case management pilot projects. The team includes representatives from the private sector, Long Term Care Association, a consumer, current home and community-based service case managers, and a case manager (social worker) from a nursing home.
2. Each pilot project is to spend considerable time and emphasis establishing productive working relationships with a wide variety of entities within each pilot area.
3. Attention will be given to working closely with the Spirit Lake Nation because of the other study relating to long-term care needs of American Indians.
4. Implementing the computerized assessment instrument to hone its role in the pilot projects.

Mr. John Graham, Burleigh County Social Services, presented information regarding the Burleigh County expanded case management pilot project. A copy of his presentation is on file in the Legislative Council office. He said a significant portion of the pilot project effort will be to coordinate the efforts of the several entities providing services or information to senior citizens and their families. Mr. Graham said Burleigh County hopes to be able to demonstrate the value of electronic exchange of information and has begun to explore the development of a web site to allow computer access to information about various services. He said Burleigh County is also interested in the use of the Internet to transmit data and messages

among the entities with which it intends to have cooperative agreements.

Ms. Gayle Wisnewski, Senior Meals and Services, Inc., presented information on the expanded case management pilot project to be administered by Senior Meals and Services, Inc. A copy of her presentation is on file in the Legislative Council office. She said Senior Meals and Services, Inc., currently provides seniors with congregate and home-delivered meals, transportation, outreach, and chore services. She said the counties proposed to be covered by the pilot project include Eddy, Ramsey, Towner, and Benson. Ms. Wisnewski said the Spirit Lake Nation was not in the original proposal because Senior Meals and Services, Inc., does not currently provide services there.

In response to a question from Representative Delzer, Mr. Kro said the pilot projects are not duplicating what is currently being done but are going above and beyond the existing services in order to fill any gaps in the existing system and offer a maximum number of options to people at the earliest point in time.

Ms. Mary Dollerschell, Baptist Home of Kenmare, commented on the Alzheimer's and related dementia population pilot projects. She said the Baptist Home of Kenmare is currently at 56 percent occupancy in its basic care unit and does not have the necessary aged population in its area to fill the facility. She said her facility has one final step before it is approved for the pilot project. She said the home is hoping to begin construction in February 1998 and have the pilot project in operation by August 1998.

In response to a question from Senator Sand, Ms. Dollerschell said the facility currently has more than enough staff to handle the basic care unit and will therefore be capable of staffing the Alzheimer's pilot project.

In response to a question from Representative Brown, Ms. Dollerschell said her facility would be obtaining residents from a regional area, not just the local area.

Ms. Carole Watrel, Alzheimer's Association of North Dakota, testified in support of the Alzheimer's and related dementia population pilot projects.

HOME AND COMMUNITY-BASED SERVICES AVAILABILITY

Ms. Linda Wright, Department of Human Services, presented information on individuals eligible to receive home and community-based services who are not currently being served. A copy of her presentation is on file in the Legislative Council office. She said there are an estimated 6,357 individuals needing assistance with two or more activities of daily living who are not currently being served by a program or funding source provided through the Aging Services Division of the Department of Human Services.

Ms. Wright presented information on the number of unduplicated recipients, by service and county, receiving assistance through the service payments for elderly and disabled (SPED), expanded SPED, and Medicaid waiver for the aged and disabled programs for the period beginning August 1996 and ending July 1997. She said the total number of unduplicated recipients served for that year was 2,389. Ms. Wright also presented information on the number of qualified service providers by county and by service type.

In response to a question from Senator Sand, Ms. Wright said home care services, excluding home health services, can usually be done for half the cost of nursing home care. She said in some cases home care and home health care costs could exceed the cost of nursing home care.

The committee recessed for lunch at 11:55 a.m. and reconvened at 1:05 p.m.

Ms. Muriel Peterson, Department of Human Services, presented information on home and community-based service provider reimbursement provisions. A copy of her presentation is on file in the Legislative Council office. She said the committee minutes from the September 16, 1997, meeting indicated she said travel time is not allowed as a reimbursable cost, but mileage for traveling to and from clients is an allowable cost. She clarified that travel time of employees and their mileage are allowable costs in setting a provider agency's rate. Ms. Petersen said she thinks the point the provider was trying to make at the last meeting was that all recipients share in the cost regardless of how much travel is required to their home by the provider's staff.

Ms. Peterson said discussions with other Department of Human Services staff indicated that the computer payment system could accommodate a rate differential for services delivered in urban and rural areas. She said although such a process is possible, the consequences of a two-tiered payment system for the delivery of home care services may not be in the best interest of recipients and private purchasers of care. Ms. Peterson said a two-tiered payment system would require individuals in rural areas to pay more for the same services than people located in urban areas. She said because of the monthly maximum limit per recipient, a higher rural rate may create a reduction in services to rural Medicaid waiver, SPED, and expanded SPED program

recipients. She said a two-tiered system would also increase the administrative costs associated with setting rates and billing for services.

Ms. Peterson said it is a departmental policy that all recipients of a service share equally in the cost of the service from an enrolled provider. She said the department believes this is a prudent policy because it treats all individuals the same no matter where they live.

Ms. Peterson said the department currently reviews and adjusts provider rates in conjunction with the beginning of each biennium. She said the department's policy regarding the reviewing and adjusting of provider rates includes a provision that rates can be adjusted at other times if there is proper documentation of unexpected, special, or unpredicted costs. Ms. Peterson said newly enrolled agency providers start with an interim rate which is reviewed within three to six months for a "final" rate based on actual costs. She said the provider which testified at the last meeting is currently on an interim rate and as soon as the provider submits historical cost information a "final" rate will be set for the agency. Ms. Peterson said it is very likely the agency's rate will increase due to its travel costs. She said the department believes its policy is the most appropriate method of recognizing travel costs incurred in the delivery of home care. She said this policy has enabled quality services to be available to all citizens of North Dakota regardless of where they live.

Senator Sand said it is difficult to assess the fiscal impact of the various types of care without having cost information. He requested that information be provided at the next meeting showing nursing home rates by facility, basic care rates by facility, and home and community-based service provider rates by type of service. Chairman Oban said a presentation by the department on this topic would be included on the next meeting's agenda.

Ms. Mary Evanson, Task Force on Long-Term Care member, presented information on the task force's work on home and community-based services availability. A copy of her presentation is on file in the Legislative Council office. She said the subcommittee hopes to complete a survey of service availability, accessibility to services, and utilization of service needs.

Ms. Evanson said the task force also needs to identify where gaps in services exist in order to determine how to best fill those gaps or what types of suitable alternatives to offer. She said other issues that need review by the task force include the necessary skills and training of qualified service providers, how the needed training can best be offered, how to encourage more people to enter this employment field, and reimbursement for training.

Ms. Evanson said the task force has discussed the possibility of creating a web site for individuals in need of services or their families to use to research service alternatives.

Representative Oban said he is interested in a way of addressing the quality and needed skill level of qualified service providers. He said he recalls various bills which attempted to address this issue during the last few sessions.

Mr. Kro said the Department of Human Services has been working on this issue since 1987. He said the Board of Nursing has indicated a desire to have the qualified service provider system in the same category as health care providers. He said the department has been working with and has finally reached an agreement with the Board of Nursing regarding this issue.

In response to a question from Representative Oban, Mr. Kro said the task force is looking at qualified service provider training and qualifications.

Chairman Oban indicated that a presentation by the Department of Human Services on background information on the qualified service provider quality control work done by the department would be included on the next meeting's agenda.

Chairman Oban asked if the department is working on a web site which would provide information on the various long-term care services. Ms. Wright said the department is working on establishing a portion of its web site to be used for this purpose.

LONG-TERM CARE FINANCING

Ms. Fischer presented information regarding the task force's work on long-term care financing issues. A copy of her presentation is on file in the Legislative Council office. She said the financing committee is currently pursuing four objectives:

1. Study the current ratesetting structure for nursing facilities and basic care facilities to determine financial, regulatory, or other existing impediments that prevent the development of alternative home and community-based services for the elderly and disabled.
2. Create incentives to encourage providers to reduce occupancy or the number of licensed long-term care beds.
3. Study the feasibility of a managed care system for long-term care services.

4. Study the impact of basic care rate equalization on private pay and assistance residents.

Ms. Fischer said the ad hoc committee on financing has not yet developed formal recommendations but is currently considering the following ideas:

1. Modifying rate equalization to allow for recognition of costs prior to limitations for private pay rates.
2. Allow for immediate recognition for rate changes resulting from a facility reducing licensed bed capacity.
3. Changing the definition of private pay to exclude health maintenance organizations.
4. Provide different rate limitations for facilities with an average length of stay of less than 180 days.
5. Include costs related to chaplaincy as other direct rather than indirect care costs.

Ms. Fischer said at the last meeting information was requested regarding licensed bed capacity changes. She presented information on changes in licensed bed capacities occurring from January 1, 1995, through October 29, 1997, for nursing homes, subacute care facilities, and basic care facilities. She said traditional nursing facilities have had a capacity decrease of 44 beds while there has been an increase of 43 licensed beds for subacute care for a net decrease in licensed nursing facility beds of one. Ms. Fischer said subacute care beds do not participate in the Medicaid program and are not subject to rate equalization or ratesetting methodologies applicable to traditional nursing facilities.

Ms. Fischer said Valley Memorial North in Grand Forks has had a reduction of 82 beds during the construction of its new facility. She said the construction is due to the spring 1997 flood in Grand Forks which rendered the previous facility unusable. She said once the new facility is completed the 82 beds will be reinstated.

Ms. Fischer said basic care facilities have had a net increase of four beds during the period beginning January 1, 1995, and ending October 29, 1997, due to the conversion of nursing facility beds to basic care beds.

Ms. Fischer also presented information on facilities with occupancy rates below 90 percent as of June 30, 1997, and June 30, 1996. She said there were 11 facilities with occupancy rates below 90 percent as of June 30, 1996, and nine facilities with occupancy rates below 90 percent as of June 30, 1997.

Senator Bowman asked how licensed basic care beds and subacute care beds have increased when a moratorium on long-term care and basic care beds has been in place. Mr. Fred Larson, Department of Health, said the increases were approved prior to the establishment of the moratoriums and prior to the repeal of the certificate of need law.

Mr. Larson presented information on licensed bed capacity changes for basic care and long-term care facilities. A copy of his presentation is on file in the Legislative Council office. He said total basic care and nursing facility licensed bed capacity changes from January 1994 through September 1997 have been as follows:

	January 1994	January 1995	January 1996	January 1997	September 1997	Net Change
Basic care[1]	1,277	1,307	1,433	1,488	1,452	175
Nursing facilities[2]	7,096	7,109	7,146	7,124	7,026	(70)
Total licensed long-term care beds	8,373	8,416	8,579	8,612	8,478	105

[1] Basic care licensed capacity includes 11 traumatically brain injured beds, 112 Veterans Home beds, and 136 nonparticipating beds.
[2] Includes 85 subacute or transitional care beds that are not Medicaid-eligible.

Representative Janet Wentz, Minot, presented information on North Dakota Century Code Section 50-11-00.1 relating to the definition of an adult foster home. A copy of her presentation is on file in the Legislative Council office. She said the law defines a family foster home for adults as an occupied private residence where four or fewer adults are provided for by the owner or lessee. Representative Wentz said because of this narrow definition, a problem has developed in Minot relating to a married couple who operates an adult foster home built specifically for adult foster care. She said each of the spouses is licensed and each cares for four individuals.

Representative Wentz said the couple now wishes to sell their property to another couple and Ward County has indicated that the next couple

cannot be licensed individually and care for eight people.

Representative Wentz said the problem created by this relates to the sale of the residence. She said if another couple cannot be individually licensed and care for eight individuals, it impacts the possibility of selling the residence.

Representative Meyer asked if married couples can receive separate licenses and then each care for four individuals. Representative Wentz said her understanding is that a married couple can only receive a joint license and thereby only care for four individuals.

Ms. Sheryl Pfliger, Department of Human Services, presented information on adult family foster care. A copy of her presentation is on file in the Legislative Council office. She said adult family foster care was established to offer a choice in the continuum of care to adults who are unable to continue independent functioning in the community and can benefit from the support and security of living in a family environment.

Ms. Pfliger said the definition in the Century Code provides that foster care for adults means the provision of food, shelter, security and safety, guidance, and comfort on a 24-hour per day basis in the home of a caregiver to a person age 18 or older who is unable, neglects, or refuses to provide for the person's own care. She said the Century Code also provides that family foster home for adults means an occupied private residence in which foster care for adults is regularly provided by the owner or licensee thereof to four or fewer adults who are not related by blood or marriage to the owner or licensee for hire or compensation.

In response to a question from Representative Oban, Ms. Pfliger said that the department's interpretation is based on the Century Code, not administrative rules.

Senator Bowman asked if the building meets the requirements for adult foster care. Ms. Pfliger said the caretakers are to live with the individuals and that is not happening in the current arrangement. She said the emphasis of adult foster care is on a homelike setting and with the current arrangement the people live in a duplex while the caretakers live in an apartment below the duplex.

In response to a question from Representative Meyer, Ms. Pfliger said other married couples hold joint licenses but can only care for four people.

Chairman Oban indicated that the reason this is being heard by the committee is not for this committee to become involved in this specific situation but to look at the public policy associated with the issue. He said if the public policy needs to be revised, the committee could pursue changing the law.

Mr. Zentner presented information on the Medicaid eligibility determination process. A copy of his presentation is on file in the Legislative Council office. He said federal regulations require states to establish a statewide program to control utilization of Medicaid program services, including safeguards against unnecessary or inappropriate use of Medicaid services. Mr. Zentner said based on these federal requirements, the department promulgated rules describing the criteria used to determine if an individual eligible for Medicaid has medical needs justifying services in a nursing facility.

Mr. Zentner said a level of care determination is completed at the time a Medicaid-eligible recipient plans to enter a nursing facility or at the time a private pay resident currently residing in a nursing facility applies for Medicaid benefits. He said the information is provided to First Mental Health, Inc., of Nashville, Tennessee, for an eligibility determination. He said if the documentation supports the need for nursing facility care, the contractor (First Mental Health, Inc.) approves the nursing facility stay. Mr. Zentner said if the available documentation does not support the need for nursing facility services, the contractor issues a denial and Medicaid payment for nursing facility services cannot be authorized. He said efforts are made by the contractor to ascertain if additional information is available to support an approval before a denial is issued. He said recipients with potential for improvement in their medical condition at the time of the initial level of care determination are reviewed within six months to determine if there is a continued need for nursing facility care.

Mr. Zentner said the department has established reasonable level of care standards for authorizing payment. He said if the criteria is liberalized it would allow individuals with minor medical needs to enter nursing facilities. He said a less restrictive policy could also result in an inability to secure nursing facility placement for individuals with complicated needs because the otherwise available beds would be occupied by Medicaid recipients with only minor medical needs. He said another issue would be the increase in the Medicaid budget if the policy were to be liberalized.

In response to a question from Representative Oban, Mr. Zentner said the department has been using First Mental Health, Inc., since about 1992. He said the last time a request for proposal was issued, First Mental Health, Inc., was the only

company to submit a bid. He said the contract costs approximately $600,000 per biennium.

Chairman Oban announced that the next meeting is tentatively scheduled for December 10-11, 1997, in Devils Lake. (The December 10-11 meeting has been changed to December 16-17 in Devils Lake.) He said after that meeting the committee will not meet until late March or early April at which time recommendations should be available from the Task Force on Long-Term Care Planning.

The committee recessed at 4:05 p.m. and reconvened on Wednesday, October 29, 1997, at 9:00 a.m. in the Senate chamber for a joint meeting with the Welfare Reform Committee and the Budget Committee on Human Services.

Members of the Welfare Reform Committee in attendance included Senators Jim Yockim, Judy L. DeMers, Tom Fischer, Judy Lee, Donna L. Nalewaja, and Russell T. Thane and Representatives Jack Dalrymple, Connie Johnsen, Ralph L. Kilzer, Carol A. Niemeier, Clara Sue Price, and Robin Weisz.

Members of the Budget Committee on Human Services in attendance included Senators Tim Mathern, Bill L. Bowman, Tom Fischer, Judy Lee, and Russell T. Thane and Representatives Leonard J. Jacobs, James A. Kerzman, Clara Sue Price, Wanda Rose, Ken Svedjan, Gerald O. Sveen, and Janet Wentz.

The joint meeting was for the purpose of discussing state and tribal issues regarding Senate Concurrent Resolution No. 4030 (Welfare Reform Committee) which provides for the study of state and tribal relations regarding welfare reform, House Concurrent Resolution No. 3005 (Budget Committee on Long-Term Care) which provides for the study of Indian long-term care needs and access to appropriate services, and House Concurrent Resolution No. 3042 (Budget Committee on Human Services) which provides for the study of the Department of Human Services.

Senator Jim Yockim, Chairman, Welfare Reform Committee; Representative Bill Oban, Chairman, Budget Committee on Long-Term Care; and Senator Tim Mathern, Chairman, Budget Committee on Human Services, welcomed the committee members and other participants and provided brief backgrounds on their committee's study responsibilities relating to American Indian issues.

Ms. Deborah Painte, Indian Affairs Commission, commented on the studies relating to American Indian issues and introduced the tribal representatives present at the meeting.

WELFARE REFORM ISSUES

The committees heard presentations by representatives of the Department of Human Services and the Division of Tribal Services, United States Department of Health and Human Services, regarding state and tribal welfare reform issues. The committee also received comments from various tribal government representatives. For more detailed information on these presentations, please see the Welfare Reform Committee minutes.

The committee recessed for lunch at 12:00 noon and reconvened at 1:20 p.m.

LONG-TERM CARE ISSUES

Mr. Zentner presented information on the availability of long-term care services for American Indian elderly and disabled. A copy of his presentation is on file in the Legislative Council office. He said the Task Force on Long-Term Care Planning is in the process of assembling an ad hoc committee to examine American Indian long-term care needs and formulate recommendations for improving long-term care services to American Indians.

Mr. Zentner said American Indian elderly and disabled do access Medicaid services. He said the number of individuals residing in nursing facilities and basic care facilities is relatively small. He presented information on the number of American Indians in nursing facilities during the last five federal fiscal years:

Year	Number of Native Americans in Nursing Facilities
1993	148
1994	167
1995	147
1996	175
1997	185

Mr. Zentner said a total of 5,666 Medicaid recipients received nursing facility services during the 1997 federal fiscal year. He said of the 5,666 recipients, about 3.3 percent were American Indians. He said this is an increase of .3 percent from the 1996 federal fiscal year. Mr. Zentner said a total of $108 million was expended for nursing facility care during that same time period, of which approximately $3 million was expended for American Indians or 2.8 percent. He said this is an increase of .2 percent from the 1996 federal fiscal year.

Mr. Zentner said a review of nursing facility admissions for the period August 1, 1996, through July 31, 1997, indicated that 65 of the

3,324 admissions or approximately two percent were American Indians. He said most American Indian admissions were in facilities on or near reservations. He said 63 facilities did not report any American Indian admissions during that same 12-month period.

Mr. Zentner said the number of American Indians utilizing basic care facilities is very limited. He said only four of the currently occupied basic care beds are utilized by American Indians. He said this low occupancy rate can likely be traced to the fact that many of these facilities are not located on or near reservations and that similar services exist on some of the reservations.

Senator Thane asked how many American Indians might utilize basic care facility services if they were made more available and located closer to the Indian reservations. Mr. Zentner said he did not know how many would possibly utilize the service. He said services similar to basic care are provided on some of the reservations, but the facilities are not licensed as basic care facilities. He said American Indians also utilize home and community-based services more than other ethnic groups.

Ms. Wright presented information on home and community-based usage by American Indians and on the availability of these services to American Indians. A copy of her presentation is on file in the Legislative Council office. She said home and community-based service options available for the American Indian elderly and persons with disabilities are part of the home and community-based services available to all eligible citizens in the state. She said the services funded by the SPED, expanded SPED, and Medicaid waiver for the aged and disabled are required to be made available statewide. Ms. Wright said the services funded by the Medicaid waiver for traumatic brain injury are available in Barnes, Burleigh, and Cass Counties, where the largest number of service recipients reside.

Ms. Wright said for fiscal year 1997 there were 26 American Indians receiving services through the Medicaid waiver for the aged and disabled, 127 through the SPED program, and 28 through the expanded SPED program. She said there were 83 new American Indian cases opened for the same time period.

Ms. Wright said Title III of the Older Americans Act funds services for individuals 60 years old and older. She said Older Americans Act-funded services are available in every county and on each Indian reservation in North Dakota. She provided a list by region of the contract service providers and which services they provide. Ms. Wright said all the tribal nations in North Dakota also receive Title VI Older Americans Act funds, which are a federal government to tribal government direct funding service. She said eligible recipients through Title VI are American Indians, Alaskan Natives, and Native Hawaiians and their spouses. She said each tribal government sets their own age requirements and the tribes in North Dakota use ages 55 or 60 and above.

Ms. Wright said the Aging Services Division of the Department of Human Services has received national recognition for its state and tribal partnerships implemented to meet the needs of elderly tribal members. She said significant progress has been made in the past several years regarding the availability of home and community-based service options.

In response to a question from Representative Brown, Ms. Wright said American Indians access home and community-based services in the same manner as non-American Indian individuals. She said access is made through the county social service case managers.

Ms. Cynthia LaCounte, Trenton Indian Service Area, commented on the American Indian long-term care issues. A copy of her presentation is on file in the Legislative Council office. She said the Trenton Indian Service Area includes six counties between North Dakota and Montana. She said the North Dakota counties include Williams, Divide, and McKenzie and the Montana counties include Roosevelt, Sheridan, and Richland. She said the total service population is estimated at 3,200 people living throughout a 6,400-square mile area. She said the Trenton Indian Service Area is unique in that it is not a reservation or a tribe but rather a part of a tribe.

Ms. LaCounte said the programs she works with include the community health representatives (funded by Indian Health Service), Title III and VI (funded under the Older Americans Act), and Public Transit and Section 18 (funded under the Department of Transportation). She said Title III and VI programs combine with mill levy funding to provide transportation, outreach, nutrition, and limited home-delivered health services. She said the federal Department of Transportation funding provides for transportation.

Ms. LaCounte said the programs she works with provide insight into the long-term care needs of the elderly tribal members. She said although the programs provide excellent care, staff time and resources are severely limited. Ms. LaCounte said there is a need for extended care, whereby personal care workers could spend more time with seniors in order to provide individual care which could mean the difference between living at

home and being institutionalized. She said they do an excellent job at what they are able to do but need additional training, resources, and staff in order to do an adequate job.

Ms. LaCounte said the nutrition programs provide meals five days per week to those individuals able to come to the nutrition center and to those living close enough to have meals delivered. She said other persons must depend on their own resources for nutrition, which often means little or no adequate food. Ms. LaCounte said community health representatives can only work with Indian clients, thereby leaving the non-Indian elderly clients living within the service area with less care.

Representative Coats asked if pride plays a role in the American Indian elderly not pursuing additional services. Ms. LaCounte said pride does not play a role, but the lack of American Indian service providers does. She said American Indian people are more comfortable with other American Indian people who understand and are familiar with their culture.

Ms. Marilyn Hudson, Three Affiliated Tribes, commented on the American Indian long-term care needs study. A copy of her presentation is on file in the Legislative Council office. She said the tribe numbers approximately 8,000 members with about one-half of them living on the reservation. She said in 1991 there were 395 members aged 60 and older and in 1997 there were 516 members age 60 and older. Ms. Hudson said like most Americans, American Indian elderly want to stay in their own homes as long as possible. She said this desire to remain independent creates a need for services to help individuals remain independent longer. Ms. Hudson said no agency on the reservation has specific programs for planning or implementing elderly or long-term care, yet all have some responsibility to do so. She said her reservation would benefit from an elder advocate program for the elderly and the establishment of community-based services.

DEPARTMENT OF HUMAN SERVICES STUDY ISSUES

The committees heard presentations from the Department of Human Services and tribal government representatives regarding the relationship of the Department of Human Services, tribal governments, and county social service boards. For more detailed information on these presentations, please see the Budget Committee on Human Services minutes.

The meeting was adjourned at 4:15 p.m.

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Chester E. Nelson, Jr.
Legislative Budget Analyst and Auditor

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Paul R. Kramer
Senior Fiscal Analyst

ATTACH:1