

Fifty-ninth  
Legislative Assembly  
of North Dakota

## ENGROSSED HOUSE BILL NO. 1012

Introduced by

Appropriations Committee

(At the request of the Governor)

1 A BILL for an Act to provide an appropriation for defraying the expenses of the department of  
2 human services; to provide an exception; to provide for a legislative council study; to provide  
3 for a transfer to the general fund; and to provide for the transfer of appropriation authority.

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

5 **SECTION 1. BASE LEVEL FUNDING INFORMATION.** The amounts identified in this  
6 section represent the base level funding component appropriated to the department of human  
7 services in section 3 of this Act as follows:

8 Subdivision 1.

| 9 MANAGEMENT                                   |                   |
|--|-------------------|
| 10 Salaries and wages                          | \$11,016,285      |
| 11 Operating expenses                          | 33,567,188        |
| 12 Capital assets                              | 2,694             |
| 13 Developmentally disabled facility loan fund | <u>3,261,556</u>  |
| 14 Total all funds - Base level                | \$47,847,723      |
| 15 Less estimated income - Base level          | <u>34,130,107</u> |
| 16 Total general fund - Base level             | \$13,717,616      |

17 Subdivision 2.

| 18 PROGRAM AND POLICY           |                    |
|---------------------------------|--------------------|
| 19 Salaries and wages           | \$22,053,781       |
| 20 Operating expenses           | 37,381,409         |
| 21 Capital assets               | 39,672             |
| 22 Grants                       | 288,687,725        |
| 23 Grants - Medical assistance  | <u>921,677,174</u> |
| 24 Total all funds - Base level | \$1,269,839,761    |

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|----|--|--------------------|
| 1  | Less estimated income - Base level           | <u>959,092,082</u> |
| 2  | Total general fund - Base level              | \$310,747,679      |
| 3  | Subdivision 3.                               |                    |
| 4  | MENTAL HEALTH COMMUNITY SERVICES CONTINGENCY |                    |
| 5  | Total general fund - Base level              | \$250,000          |
| 6  | NORTHWEST HUMAN SERVICE CENTER               |                    |
| 7  | Total all funds - Base level                 | \$7,275,679        |
| 8  | Less estimated income - Base level           | <u>3,645,640</u>   |
| 9  | Total general fund - Base level              | \$3,630,039        |
| 10 | NORTH CENTRAL HUMAN SERVICE CENTER           |                    |
| 11 | Total all funds - Base level                 | \$14,564,870       |
| 12 | Less estimated income - Base level           | <u>6,723,674</u>   |
| 13 | Total general fund - Base level              | \$7,841,196        |
| 14 | LAKE REGION HUMAN SERVICE CENTER             |                    |
| 15 | Total all funds - Base level                 | \$8,420,933        |
| 16 | Less estimated income - Base level           | <u>3,782,973</u>   |
| 17 | Total general fund - Base level              | \$4,637,960        |
| 18 | NORTHEAST HUMAN SERVICE CENTER               |                    |
| 19 | Total all funds - Base level                 | \$19,441,183       |
| 20 | Less estimated income - Base level           | <u>11,444,820</u>  |
| 21 | Total general fund - Base level              | \$7,996,363        |
| 22 | SOUTHEAST HUMAN SERVICE CENTER               |                    |
| 23 | Total all funds - Base level                 | \$20,724,542       |
| 24 | Less estimated income - Base level           | <u>11,215,222</u>  |
| 25 | Total general fund - Base level              | \$9,509,320        |
| 26 | SOUTH CENTRAL HUMAN SERVICE CENTER           |                    |
| 27 | Total all funds - Base level                 | \$11,358,975       |
| 28 | Less estimated income - Base level           | <u>5,731,868</u>   |
| 29 | Total general fund - Base level              | \$5,627,107        |

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|----|--|-------------------|
| 1  | WEST CENTRAL HUMAN SERVICE CENTER                |                   |
| 2  | Total all funds - Base level                     | \$17,584,844      |
| 3  | Less estimated income - Base level               | <u>9,121,635</u>  |
| 4  | Total general fund - Base level                  | \$8,463,209       |
| 5  | BADLANDS HUMAN SERVICE CENTER                    |                   |
| 6  | Total all funds - Base level                     | \$8,924,627       |
| 7  | Less estimated income - Base level               | <u>4,558,723</u>  |
| 8  | Total general fund - Base level                  | \$4,365,904       |
| 9  | STATE HOSPITAL                                   |                   |
| 10 | Total all funds - Base level                     | \$41,889,561      |
| 11 | Less estimated income - Base level               | <u>16,405,360</u> |
| 12 | Total general fund - Base level                  | \$25,484,201      |
| 13 | DEVELOPMENTAL CENTER                             |                   |
| 14 | Total all funds - Base level                     | \$40,761,057      |
| 15 | Less estimated income - Base level               | <u>31,949,828</u> |
| 16 | Total general fund - Base level                  | \$8,811,229       |
| 17 | Total all funds - Subdivision 3                  | \$191,196,271     |
| 18 | Total estimated income - Subdivision 3           | \$104,579,743     |
| 19 | Total general fund appropriation - Subdivision 3 | \$86,616,528      |
| 20 | Total general fund - Section 1                   | \$411,081,823     |
| 21 | Total special funds - Section 1                  | \$1,097,801,932   |
| 22 | Total all funds - Section 1                      | \$1,508,883,755   |

23       **SECTION 2. FUNDING ADJUSTMENTS OR ENHANCEMENTS INFORMATION.** The  
24 amounts identified in this section represent the funding adjustments or enhancements to the  
25 base funding level for the department of human services which are included in the  
26 appropriation in section 3 of this Act as follows:

27       Subdivision 1.

|    |                    |             |
|----|--------------------|-------------|
| 28 | MANAGEMENT         |             |
| 29 | Salaries and wages | (\$486,633) |
| 30 | Operating expenses | (1,787,339) |
| 31 | Capital assets     | 62          |

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| 1  | Developmentally disabled facility loan fund      | <u>(3,261,556)</u>  |
| 2  | Total all funds - Adjustments/enhancements       | (\$5,535,466)       |
| 3  | Less estimated income - Adjustments/enhancements | <u>(11,288,586)</u> |
| 4  | Total general fund - Adjustments/enhancements    | \$5,753,120         |
| 5  | Subdivision 2.                                   |                     |
| 6  | PROGRAM AND POLICY                               |                     |
| 7  | Salaries and wages                               | \$699,801           |
| 8  | Operating expenses                               | (109,195)           |
| 9  | Capital assets                                   | (5,808)             |
| 10 | Grants   | 44,572,418          |
| 11 | Grants - Medical assistance                      | <u>71,360,100</u>   |
| 12 | Total all funds - Adjustments/enhancements       | \$116,517,316       |
| 13 | Less estimated income - Adjustments/enhancements | <u>63,463,933</u>   |
| 14 | Total general fund - Adjustments/enhancements    | \$53,053,383        |
| 15 | Subdivision 3.                                   |                     |
| 16 | MENTAL HEALTH COMMUNITY SERVICES CONTINGENCY     |                     |
| 17 | Total general fund - Adjustments/enhancements    | (\$250,000)         |
| 18 | NORTHWEST HUMAN SERVICE CENTER                   |                     |
| 19 | Total all funds - Adjustments/enhancements       | \$43,292            |
| 20 | Less estimated income - Adjustments/enhancements | <u>39,123</u>       |
| 21 | Total general fund - Adjustments/enhancements    | \$4,169             |
| 22 | NORTH CENTRAL HUMAN SERVICE CENTER               |                     |
| 23 | Total all funds - Adjustments/enhancements       | \$713,327           |
| 24 | Less estimated income - Adjustments/enhancements | <u>533,839</u>      |
| 25 | Total general fund - Adjustments/enhancements    | \$179,488           |
| 26 | LAKE REGION HUMAN SERVICE CENTER                 |                     |
| 27 | Total all funds - Adjustments/enhancements       | \$680,656           |
| 28 | Less estimated income - Adjustments/enhancements | <u>431,083</u>      |
| 29 | Total general fund - Adjustments/enhancements    | \$249,573           |

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| 1  | NORTHEAST HUMAN SERVICE CENTER                   |                    |
| 2  | Total all funds - Adjustments/enhancements       | \$1,055,769        |
| 3  | Less estimated income - Adjustments/enhancements | <u>745,840</u>     |
| 4  | Total general fund - Adjustments/enhancements    | \$309,929          |
| 5  | SOUTHEAST HUMAN SERVICE CENTER                   |                    |
| 6  | Total all funds - Adjustments/enhancements       | \$2,801,880        |
| 7  | Less estimated income - Adjustments/enhancements | <u>2,430,373</u>   |
| 8  | Total general fund - Adjustments/enhancements    | \$371,507          |
| 9  | SOUTH CENTRAL HUMAN SERVICE CENTER               |                    |
| 10 | Total all funds - Adjustments/enhancements       | \$780,171          |
| 11 | Less estimated income - Adjustments/enhancements | <u>578,413</u>     |
| 12 | Total general fund - Adjustments/enhancements    | \$201,758          |
| 13 | WEST CENTRAL HUMAN SERVICE CENTER                |                    |
| 14 | Total all funds - Adjustments/enhancements       | \$920,924          |
| 15 | Less estimated income - Adjustments/enhancements | <u>537,278</u>     |
| 16 | Total general fund - Adjustments/enhancements    | \$383,646          |
| 17 | BADLANDS HUMAN SERVICE CENTER                    |                    |
| 18 | Total all funds - Adjustments/enhancements       | \$383,660          |
| 19 | Less estimated income - Adjustments/enhancements | <u>250,774</u>     |
| 20 | Total general fund - Adjustments/enhancements    | \$132,886          |
| 21 | STATE HOSPITAL                                   |                    |
| 22 | Traditional services                             | \$230,001          |
| 23 | Secure services                                  | <u>5,430,860</u>   |
| 24 | Total all funds - Adjustments/enhancements       | \$5,660,861        |
| 25 | Less estimated income - Adjustments/enhancements | <u>(728,482)</u>   |
| 26 | Total general fund - Adjustments/enhancements    | \$6,389,343        |
| 27 | DEVELOPMENTAL CENTER                             |                    |
| 28 | Total all funds - Adjustments/enhancements       | \$1,463,546        |
| 29 | Less estimated income - Adjustments/enhancements | <u>(1,124,148)</u> |
| 30 | Total general fund - Adjustments/enhancements    | \$2,587,694        |
| 31 | Total all funds - Subdivision 3                  | \$14,254,086       |



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|----|----------------------------------|------------------------------------|
| 1  | Subdivision 3.                   |                                    |
| 2  |                                  | NORTHWEST HUMAN SERVICE CENTER     |
| 3  | Total all funds                  | \$7,318,971                        |
| 4  | Less estimated income            | <u>3,684,763</u>                   |
| 5  | Total general fund appropriation | \$3,634,208                        |
| 6  |                                  | NORTH CENTRAL HUMAN SERVICE CENTER |
| 7  | Total all funds                  | \$15,278,197                       |
| 8  | Less estimated income            | <u>7,257,513</u>                   |
| 9  | Total general fund appropriation | \$8,020,684                        |
| 10 |                                  | LAKE REGION HUMAN SERVICE CENTER   |
| 11 | Total all funds                  | \$9,101,589                        |
| 12 | Less estimated income            | <u>4,214,056</u>                   |
| 13 | Total general fund appropriation | \$4,887,533                        |
| 14 |                                  | NORTHEAST HUMAN SERVICE CENTER     |
| 15 | Total all funds                  | \$20,496,952                       |
| 16 | Less estimated income            | <u>12,190,660</u>                  |
| 17 | Total general fund appropriation | \$8,306,292                        |
| 18 |                                  | SOUTHEAST HUMAN SERVICE CENTER     |
| 19 | Total all funds                  | \$23,526,422                       |
| 20 | Less estimated income            | <u>13,645,595</u>                  |
| 21 | Total general fund appropriation | \$9,880,827                        |
| 22 |                                  | SOUTH CENTRAL HUMAN SERVICE CENTER |
| 23 | Total all funds                  | \$12,139,146                       |
| 24 | Less estimated income            | <u>6,310,281</u>                   |
| 25 | Total general fund appropriation | \$5,828,865                        |
| 26 |                                  | WEST CENTRAL HUMAN SERVICE CENTER  |
| 27 | Total all funds                  | \$18,505,768                       |
| 28 | Less estimated income            | <u>9,658,913</u>                   |
| 29 | Total general fund appropriation | \$8,846,855                        |
| 30 |                                  | BADLANDS HUMAN SERVICE CENTER      |

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|----|---|----------------------|
| 1  | Total all funds                                     | \$9,308,287          |
| 2  | Less estimated income                               | <u>4,809,497</u>     |
| 3  | Total general fund appropriation                    | \$4,498,790          |
| 4  |   | STATE HOSPITAL       |
| 5  | Traditional services                                | \$42,119,562         |
| 6  | Secure services                                     | <u>5,430,860</u>     |
| 7  | Total all funds                                     | \$47,550,422         |
| 8  | Less estimated income                               | <u>15,676,878</u>    |
| 9  | Total general fund appropriation                    | \$31,873,544         |
| 10 |   | DEVELOPMENTAL CENTER |
| 11 | Total all funds                                     | \$42,224,603         |
| 12 | Less estimated income                               | <u>30,825,680</u>    |
| 13 | Total general fund appropriation                    | \$11,398,923         |
| 14 | Total all funds - Subdivision 3                     | \$205,450,357        |
| 15 | Total estimated income - Subdivision 3              | \$108,273,836        |
| 16 | Total general fund appropriation - Subdivision 3    | \$97,176,521         |
| 17 | Grand total general fund appropriation - H.B. 1012  | \$480,448,319        |
| 18 | Grand total special funds appropriation - H.B. 1012 | \$1,153,671,372      |
| 19 | Grand total all funds appropriation - H.B. 1012     | \$1,634,119,691      |

20 **SECTION 4. FULL-TIME EQUIVALENT EMPLOYEES - MEDICAID - EMERGENCY**

21 **COMMISSION AND BUDGET SECTION APPROVAL.** Subject to emergency commission and  
22 budget section approval, the department of human services may hire additional full-time  
23 equivalent positions for medicaid program review of eligibility and payments in addition to those  
24 authorized by the legislative assembly when it is cost-effective to hire additional positions in lieu  
25 of contracts or if no acceptable contract proposal is received within the funding constraints.

26 **SECTION 5. MEDICAID ELIGIBILITY REVIEWS - CONTINGENT FUNDING.** The

27 appropriation in subdivision 2 of section 3 of this Act includes \$615,000 from the general fund  
28 and \$615,000 of federal funds for payment error rate measurement eligibility reviews for the  
29 medical assistance program. If the department of human services is not required by the federal  
30 government to conduct these reviews, the department may not spend these funds for the  
31 biennium beginning July 1, 2005, and ending June 30, 2007.



1           **SECTION 6. FUNDING TRANSFERS - EXCEPTION - AUTHORIZATION.**

2   Notwithstanding section 54-16-04, the department of human services may transfer  
3   appropriation authority between line items within each subdivision of section 3 of this Act and  
4   between subdivisions within section 3 of this Act for the biennium beginning July 1, 2005, and  
5   ending June 30, 2007. The department shall notify the office of management and budget of  
6   any transfer made pursuant to this section. The department shall report to the budget section  
7   after June 30, 2006, any transfers made in excess of \$50,000 and to the appropriations  
8   committees of the sixtieth legislative assembly regarding any transfers made pursuant to this  
9   section.

10           **SECTION 7. ESTIMATED INCOME - LIMIT - COMMUNITY HEALTH TRUST FUND.**

11   The estimated income line item in subdivision 2 of section 3 of this Act includes \$114,755 from  
12   the community health trust fund. The department of human services expenditures from this  
13   fund may not exceed this amount for the biennium beginning July 1, 2005, and ending June 30,  
14   2007.

15           **SECTION 8. COMPULSIVE GAMBLING PREVENTION AND TREATMENT FUND -**  
16   **TRANSFER TO THE GENERAL FUND.**

17   On July 1, 2005, the director of the office of  
18   management and budget and the state treasurer shall transfer \$100,000 from the compulsive  
19   gambling prevention and treatment fund to the general fund.

19           **SECTION 9. LEGISLATIVE COUNCIL STUDY - LONG-TERM CARE.** During the  
20   2005-06 interim, the legislative council shall consider studying, with input from representatives  
21   of the department of human services and the long-term care industry, methods of improving the  
22   sustainability of funding long-term care services in the state, including a review of case mix and  
23   rate equalization, consideration of additional support for facilities providing additional restorative  
24   care services, and consideration of options for reducing the number of required reports of  
25   facilities providing high-quality care or for seeking waivers to change the survey process.