

# FISCAL NOTE

Requested by Legislative Council  
02/17/2005

Amendment to:           Engrossed  
                                  HB 1252

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

|                       | 2003-2005 Biennium |             | 2005-2007 Biennium |             | 2007-2009 Biennium |             |
|-----------------------|--------------------|-------------|--------------------|-------------|--------------------|-------------|
|                       | General Fund       | Other Funds | General Fund       | Other Funds | General Fund       | Other Funds |
| <b>Revenues</b>       | \$0                | \$0         | \$0                | \$2,463,799 | \$0                | \$2,509,682 |
| <b>Expenditures</b>   | \$0                | \$0         | \$1,388,979        | \$2,463,799 | \$1,459,450        | \$2,509,682 |
| <b>Appropriations</b> | \$0                | \$0         | \$0                | \$0         | \$0                | \$0         |

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

| 2003-2005 Biennium |        |                  | 2005-2007 Biennium |        |                  | 2007-2009 Biennium |        |                  |
|--------------------|--------|------------------|--------------------|--------|------------------|--------------------|--------|------------------|
| Counties           | Cities | School Districts | Counties           | Cities | School Districts | Counties           | Cities | School Districts |
| \$0                | \$0    | \$0              | \$0                | \$0    | \$0              | \$0                | \$0    | \$0              |

2. **Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

This bill would amend and reenact sections 50-24.4-06 and 50-24.4-10, subsection 1 of section 50-24.4-11, sections 50-24.4-13, 50-24.4-14, 50-24.4-16, 50-24.4-19, and 50-24.4-27 and subsection 3 of section 50-24.5-02 of the NDCC relating to nursing home rates and basic care rates; and would repeal section 50-24.4-09 of the NDCC relating to interim rates for nursing homes.

For the rate year beginning 2006, the department would be required to establish limits for cost categories using the June 30, 2003 cost report year as the base period; the limits may not fall below the median of the most recent cost report. Until a new base period is established, the department would be required to adjust the limits annually by the inflation rate for nursing home services used to develop the legislative appropriation for the department. A new base period would need to be established at least every three years beginning with the cost report period June 30, 2006.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

The department would receive Title XIX funds at the FMAP in effect during each federal fiscal year of the biennium; for 2005-07 revenue would equal \$2,463,799 and for 2007-09 revenue would equal \$2,509,682.

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The effect of this bill for 2005-07 is to increase expenditures by \$3,852,778 in total; the increased expenditures would be funded by general funds of \$1,388,979 and federal title XIX funds of \$2,463,799. For 2007-09, total expenditures would increase to \$3,969,132 funded by general funds of \$1,459,450 and \$2,509,682 of federal title XIX funds.

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the*

*biennial appropriation for each agency and fund affected and any amounts included in the executive budget.  
Indicate the relationship between the amounts shown for expenditures and appropriations.*

The effects of this bill are included in the 2005-07 budget request in their regular appropriation bill.

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**Agency:** Human Services  
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