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## HUMAN SERVICES COMMITTEE

Tuesday, January 11, 2022  
Roughrider Room, State Capitol  
Bismarck, North Dakota

Senator Judy Lee, Chairman, called the meeting to order at 9:00 a.m.

**Members present:** Senators Judy Lee, Howard C. Anderson, Jr., JoNell A. Bakke, Kathy Hogan; Representatives Gretchen Dobervich\*, Clayton Fegley, Dwight Kiefert, Alisa Mitskog\*, Matthew Ruby, Mark Sanford, Mary Schneider\*, Randy A. Schobinger, Kathy Skroch, Michelle Strinden, Greg Westlind

**Members absent:** Senators Jason G. Heitkamp, David Hogue; Representative Karen M. Rohr

**Others present:** See [Appendix A](#)

*\*Attended remotely*

**It was moved by Senator Hogan, seconded by Representative Ruby, and carried on a voice vote that the minutes of the October 21, 2021, meeting be approved as distributed.**

### COVID-19 FEDERAL PUBLIC HEALTH EMERGENCY

Ms. Caprice Knapp, Director, Medical Services Division, Department of Human Services, provided an update on the federal COVID-19 public health emergency. She noted:

- The federal COVID-19 public health emergency continues and an end date has not been announced.
- Medicaid enrollees must be continued in the program until the end of the public health emergency.
- The department is developing a plan to redetermine Medicaid enrollee eligibility at the end of the public health emergency.

### MEDICAID EXPANSION

Mr. Christopher D. Jones, Executive Director, Department of Human Services; Mr. Daniel Conrad, President and Chief Executive Officer, and Ms. Chelsey Matter, Executive Director of Government Programs, Blue Cross Blue Shield of North Dakota, presented information ([Appendix B](#)) regarding the Medicaid Expansion program. They noted:

- The Medicaid Expansion program was authorized in 2013 and utilizes a managed care organization to deliver health services.
- The Department of Human Services (DHS) provides the managed care organization with a negotiated per-member per-month payment for the services.
- In October 2020, DHS issued a request for proposal for a managed care organization to administer the Medicaid Expansion program effective January 1, 2022. Blue Cross Blue Shield of North Dakota was awarded the managed care organization contract.

### MEDICAID PHARMACY SERVICES

Mr. Brendan Joyce, Administrator of Pharmacy Services, Department of Human Services, presented information ([Appendix C](#)) regarding high-cost drugs in the Medicaid program. He noted:

- In 1991, the highest cost drug was \$150,000 for a yearly prescription and in 2021 the Medicaid program paid \$2,125,000 for one drug claim.

- Small budget states can be significantly affected by high-cost drugs.
- High-cost drugs will continue to increase in volume and costs.

### **MEDICAID 1915(I) STATE PLAN AMENDMENT**

Ms. Monica Haugen, Program Administrator, Behavioral Health Division, Department of Human Services, presented information ([Appendix D](#)) regarding the Medicaid 1915(i) state plan amendment. She noted:

- The amendment allows individuals enrolled in Medicaid to receive additional home- and community-based services for behavioral health conditions.
- To be eligible to receive services, an individual must have household income at or below 150 percent of the federal poverty level and receive a minimum score assessment through the World Health Organization Disability Assessment Schedule (WHODOS).
- The amendment was recently adjusted to reduce the WHODOS score requirement from 50 to 25.

Ms. Knapp and Ms. Krista Fremming, Assistant Director, Medical Services Division, Department of Human Services, responded to questions regarding the Medicaid 1915(i) state plan amendment.

### **YOUTH SHELTER AND RESIDENTIAL FACILITIES**

Mr. Cory Pedersen, Director, Children and Family Services, Department of Human Services, presented information ([Appendix E](#)) regarding youth shelter and residential facilities. He noted:

- Shelter care provides youth with temporary housing through a certified shelter care program site or through a licensed foster care location.
- As of September 2021, there were 1,037 licensed family foster homes in the state.
- As of December 2021, there were 76 licensed qualified residential treatment programs in the state.

In response to committee member questions, Mr. Pedersen submitted additional information ([Appendix F](#)) following the meeting regarding youth shelter and residential facilities.

Mr. Lauren Bosch, Program Manager, Youthworks, provided comments ([Appendix G](#)) to the committee regarding youth shelter and residential facilities.

Mr. Robert Wilson, County Administrator, Cass County, provided comments ([Appendix H](#)) to the committee regarding youth shelter and residential facilities.

Ms. Kim Jacobson, Director, Agassiz Valley Human Service Zone, provided comments to the committee regarding youth shelter and residential facilities. She noted that discussions are needed to ensure policy changes do not result in a negative effect on individuals being served in a program.

At the request of Chairman Lee, testimony ([Appendix I](#)) submitted by Mr. Denis Otterness, Chief, West Fargo Police Department, was distributed to the committee.

### **INTEGRATION OF THE DEPARTMENT OF HUMAN SERVICES AND STATE DEPARTMENT OF HEALTH**

Dr. Nizar Wehbi, State Health Officer, State Department of Health, provided an update ([Appendix J](#)) on the integration of the Department of Human Services and State Department of Health. He noted:

- There are ongoing weekly integration workstream sessions and leadership team update sessions.
- Podcasts are being created to allow employees to learn about services that will be provided by the integrated department.
- A town hall meeting will be held to allow team members to receive additional information and ask questions.

### **BASIC CARE PAYMENT METHODOLOGY**

Ms. LeeAnn Thiel, Assistant Director, Medical Services Division, Department of Human Services, presented an update ([Appendix K](#)) on the status of the development of a revised payment methodology for basic care facilities. She noted:

- Meetings have been held with representatives of the Department of Human Services, basic care providers, and the North Dakota Long Term Care Association.
- A consultant is being utilized to assist in the development of the revised payment methodology.
- Discussions have been held regarding how basic care fits into the continuum of care, provider demographics, and the need for public education.

### HUMAN SERVICE ZONES

Ms. Sara Stolt, Chief Operating Officer, Department of Human Services, presented an update ([Appendix L](#)) regarding issues affecting human service zones. She noted:

- A workgroup was created to develop a process to transfer human service zone employees to state employment. The workgroup has developed a list of considerations that need to be addressed including potential law changes, interaction with other entities, and the transfer of buildings and other assets.
- A workgroup was created to review the reimbursement of indirect costs. A consultant will utilize data from county auditors to complete an analysis of indirect costs.
- A workgroup was created to review compensation and equity of human service zone employees. The workgroup recommends the Human Services Committee contract with a consultant to complete a detailed analysis of employee compensation.

### OTHER BUSINESS

Chairman Lee distributed a resolution ([Appendix M](#)) approved by the Behavioral Health Planning Council regarding the availability of behavioral health services in the state.

Chairman Lee announced the next committee meeting will be tentatively scheduled for April 2022.

No further business appearing, Chairman Lee adjourned the meeting at 1:45 p.m.

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Brady A. Larson  
Assistant Legislative Budget Analyst and Auditor

ATTACH:13