

NORTH DAKOTA LEGISLATIVE COUNCIL

Minutes of the

BUDGET COMMITTEE ON HUMAN SERVICES

Wednesday and Thursday, September 4-5, 2002

Lake Region Human Service Center, School for the Deaf, Camp Grafton, Devils Lake, North Dakota
Developmental Center, Grafton, North Dakota

Representative Amy Warnke, Chairman, called the meeting to order at 9:00 a.m. at the Lake Region Human Service Center in Devils Lake.

Members present: Representatives Amy Warnke, James Kerzman, Ralph Metcalf, Chet Pollert, Todd Porter, Clara Sue Price, Dale C. Severson, Wayne W. Tieman; Senators Judy Lee, Michael Polovitz

Members absent: Representatives Audrey B. Cleary, Jeff Delzer, Pat Galvin, Bob Hunskor, Ken Svedjan; Senators Robert S. Erbele, Thomas Fischer, Kenneth Kroepflin

Others present: John T. Traynor, State Senator, Devils Lake

Harvey Tallackson, State Senator, Grafton

Joyce Kingsbury, State Representative, Grafton

Gil Herbel, State Representative, Grafton

See Appendix A for additional other persons present.

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

BUDGET TOUR

Mr. Duainne Bourcy, Director, Lake Region Human Service Center, welcomed the committee to the center. Mr. Bourcy announced his retirement effective the end of September 2002.

Mr. Bourcy said the center serves the counties of Benson, Cavalier, Eddy, Ramsey, Rolette, and Towner. He said in North Dakota nearly one of every six residents has some contact with the Department of Human Services; however, he said in the Lake Region service area, one in every three residents has some contact with the Department of Human Services.

A copy of the report is on file in the Legislative Council office.

Mr. Doug Boknecht, Clinical Services Supervisor, Lake Region Human Service Center, discussed programs and services of the human service center and statistics regarding human service issues in the Lake Region service area.

Mr. Boknecht said the increasing level of Devils Lake has resulted in 11 Presidential disaster declarations during the past 10 years and has substantially

impacted residents in the region. He said the Lake Region service area has 8.1 percent of the children in the state, but 15.4 percent of the children are in foster care. He said this statistic does not include the additional 70 to 100 children placed in foster care on the Indian reservations in the region.

Mr. Boknecht said unemployment in the Lake Region service area was 5.2 percent in 2001, compared to 2.2 percent for North Dakota. He said three of the counties in the region--Rolette, Benson, and Cavalier--have the highest unemployment rates of any county in North Dakota.

Mr. Boknecht said 25 percent of residents in the Lake Region service area live in poverty, which is twice the poverty rate of any other region in the state.

Mr. Boknecht said as of July 2002 the Lake Region service area has 1,058 of the 3,158 temporary assistance for needy families (TANF) recipients in North Dakota, approximately one-third of all TANF cases.

Mr. Boknecht said the Lake Region Human Service Center has been successful in reducing its State Hospital admissions by serving clients in the community. He said State Hospital admissions from the Lake Region service area in each of the past five years are:

Year	State Hospital Admissions
1997	226
1998	170
1999	112
2000	95
2001	97

Mr. Boknecht expressed concern regarding suicide rates in the Lake Region service area. He said suicide among North Dakota children exceeds the national average and suicide rates in the Lake Region service area are the highest among the human service regions in the state.

A copy of the report is on file in the Legislative Council office.

Mr. Roland Nygaard, Supervisor, Alcohol and Drug Unit, Lake Region Human Service Center, discussed substance abuse treatment services offered in the Lake Region service area. He said the Lake Region service area has been providing an increasing number of alcohol and drug evaluations for both

children and adults. He said the number of adult evaluations increased from 310 in 1999 to 413 in 2002 and the number of children's evaluations increased from 64 in 1999 to 130 in 2002. He said the center has developed a low-intensive outpatient adolescent treatment program to address substance abuse among children in the Lake Region service area. He said the center has seven residential treatment beds in Devils Lake and provides 24-hour structured and supervised adolescent programming. He said the adolescent treatment program consists of activities seven days a week, scheduled time for school homework, family programming, and recreational activities.

Mr. Nygaard said the center continues to collaborate with the Spirit Lake and Turtle Mountain Reservations in addressing substance abuse in the region.

A copy of the report is on file in the Legislative Council office.

Mr. Clinton J. DeVier, Fiscal Manager, Lake Region Human Service Center, reviewed the status of the center's budget. He said the center's 2001-03 budget totals \$8.2 million, of which \$4.6 million is from the general fund and includes 68 FTE positions. He reviewed the center's budget areas, including administration, child welfare, disability services, older American services, and mental health and substance abuse services.

Mr. DeVier said the center is attempting to generate general fund savings during this biennium of \$150,000 to assist the department in meeting the general fund budget allotment ordered by the Governor and other general fund shortfalls of the department. He said the center anticipates generating the savings by not filling selected vacant positions and workload shifts in the area of support services and vocational rehabilitation.

Mr. DeVier said the center generated an additional \$147,000 of funding needed for the adolescent residential unit program by reducing its psychological and psychiatric services and negotiating lower rates for its residential services.

A copy of the report is on file in the Legislative Council office.

Representative Kerzman asked what initiatives the center is considering to address the high number of suicides in the region. Mr. Boknecht said the center is focusing on prevention and has instituted a crisis line, a joint project with the Mental Health Association.

LONG-TERM CARE NEEDS STUDY

Mr. David Zentner, Medical Services Director, Department of Human Services, presented a report on the status of the department's long-term care needs assessment and nursing facility payment system study. He said Myers and Stauffer, L.C., the consultant hired to conduct the nursing facility payment system study, has completed its evaluation of North Dakota's equalized rate policy, of North

Dakota's method of limiting nursing facility rates, and of the nursing facility 90 percent occupancy requirement. He said the consultant is still reviewing North Dakota's case mix payment system.

Mr. Zentner said the consultants are not recommending any changes to the current rate equalization policy of limiting private pay individuals and other nongovernmental payers covering individuals in semi-private rooms to the comparable Medicaid rate. He said the consultants made the following recommendations:

1. Limit the additional amount nursing facilities may charge for a private room to \$10 per day. Mr. Zentner said this recommendation would not affect the payments made under the state Medicaid program.
2. Change the current Medicaid property calculation to reflect the growing number of private rooms when reporting property costs. The rate calculation should consider the square footage separately for private rooms and semiprivate rooms. Mr. Zentner said the consultants estimate that implementation of this recommendation will reduce Medicaid program costs by \$635,555 per year.

Mr. Zentner reviewed the consultant's evaluation of rebasing frequency. He said the consultant recommended no major changes to North Dakota's method of rebasing nursing facility limits. He said the consultant recommends the state:

1. Establish a maximum number of years between rebasing.
2. Monitor and evaluate facility spending patterns during periods between rebasing. This should identify:
 - a. Significant changes in costs in excess of that estimated by the inflation index.
 - b. Changes in the allocation of costs between direct, other direct, and indirect cost categories.
 - c. Changes in a facility's resident acuity.
3. Change the method of calculating limits from the percentile method to a "median plus" method. Mr. Zentner said the consultant's report indicates that the percentile method precludes a certain percentage of providers from receiving payments to cover costs. The "median plus" method potentially allows all facilities to operate at a level below the limit and provides encouragement and incentives to all providers to attain this goal.
4. Consider setting limits for direct, other direct, and indirect costs at the "median plus" 20 percent, 20 percent, and 10 percent, respectively, or in proportion with these recommendations in order to achieve the greatest cost coverage for the Medicaid funding available. Mr. Zentner said the consultant estimated the fiscal impact

resulting from implementation of this recommendation is \$136,694 per year.

Mr. Zentner reviewed the consultant's evaluation of the 90 percent occupancy incentive. He said the consultant recommended continuing the minimum occupancy percentage at 90 percent.

Copies of the consultant's reports are on file in the Legislative Council office.

Mr. Zentner reviewed the current status of the long-term care needs assessment being conducted by the University of North Dakota and North Dakota State University. Mr. Zentner said the University of North Dakota has completed the analysis of the administrator and staff surveys and has prepared findings and preliminary recommendations.

Mr. Zentner said North Dakota State University has completed the majority of work relating to the elderly demand model and is awaiting additional 2000 census information in order to complete the service area and labor demand model. He said this portion of the report should be available by the end of September.

Mr. Zentner said tentative findings and recommendations resulting from the long-term care needs assessment include:

1. North Dakota must develop a system of service delivery for home and community-based services to serve the rural elderly.
2. "Tele-health" should be explored for offering additional support for a dispersed model of services for offsite diagnosis and evaluation.
3. The number of Native Americans over the age of 65 is increasing rapidly. A special task force should be organized to address the long-term care needs of reservation populations.
4. Regular monitoring of long-term care workers' wages should be conducted with adjustments provided as required to maintain competitive salaries. Mr. Zentner said the report indicates North Dakota wages for long-term care workers are slightly less than national averages. He said salaries for registered nurses are at 94.1 percent of the national average, salaries for licensed practical nurses are at 94.7 percent of the national average, and certified nurse assistants are at 100 percent of the national average.
5. Extending benefits to all full-time workers, especially health insurance coverage, will assist with worker retention.

Copies of the reports are available in the Legislative Council office.

Mr. Zentner reported on the status of spending for long-term care services under the medical assistance and basic care assistance programs. He said although total expenditures for long-term care services in the Medicaid program are estimated to be

\$2.8 million less than appropriated, it is anticipated that additional general fund resources of \$1 million will be needed due to the anticipated 1.51 percent reduction in the federal matching percentage during the last nine months of the biennium.

Mr. Zentner said for the basic care assistance program, the department estimates an additional \$300,000 from the general fund will be needed due to the 1.51 percent reduction in the federal matching percentage during the last nine months of the biennium and room and board costs exceeding estimates.

Mr. Zentner reported on the nursing facility bed reduction incentive program. He said through August 2002, the department has purchased 265 beds at a total cost of \$3.2 million, leaving approximately \$800,000 remaining. He said the department continues to solicit quarterly buyout offers, but to date, the department has not received any offers during the current quarter.

A copy of the report is on file in the Legislative Council office.

Ms. Darleen Bartz, State Department of Health, presented a report on nursing facility and basic care licensed bed capacity and requests for transfers of bed capacity between nursing facilities and basic care facilities as authorized in Section 9 of 2001 House Bill No. 1196. She said 6,902 nursing facility beds were licensed on August 1, 2001. Since that time, she said, 31 facilities have decreased a total of 269 beds. She said the current number of licensed beds is 6,633.

Ms. Bartz said 1,460 basic care beds were licensed as of August 1, 2001. Since that time, she said, the number has increased by 36 to a total of 1,496.

Ms. Bartz said three conversions of nursing facility beds to basic care beds have occurred during this time period. She said the Arthur Good Samaritan Center transferred six beds, the Devils Lake Good Samaritan Center transferred six beds, and the Mott Good Samaritan Center transferred six beds.

A copy of the report is on file in the Legislative Council office.

Ms. Shelly Peterson, President, North Dakota Long Term Care Association, commented on the long-term care needs assessment and nursing facility payment system study. She expressed concern regarding the consultant's recommendation to limit the amount nursing facilities may charge for private rooms. She said the consultant reported that facilities are currently not charging too much for private rooms; therefore, the association does not believe a limit needs to be put in place. She said private room revenue is the only flexibility nursing homes have to address funding shortfalls that arise.

Ms. Peterson expressed concern regarding premium rates nursing facilities are being charged for professional, general, and liability insurance policies. She said the premiums for many facilities have tripled

over the past two years. She provided an example of a facility's insurance premium that increased by \$33,000, from \$7,000 to \$40,000 per year.

Ms. Peterson commented on the consultant's recommendation to rebase nursing facility cost limits at least every four years. She expressed concern that although the recommendation provides for rebasing at least every four years, the four-year maximum may become the standard for rebasing in the state.

Representative Kerzman asked why insurance rates are increasing so dramatically for nursing facilities. Ms. Peterson said that one insurance company is no longer insuring for-profit nursing facilities because it believes for-profit facilities are more likely to be sued. Other reasons result from high claims or serious deficiencies reported on State Department of Health surveys.

Representative Kerzman asked whether nursing facilities may self-insure against losses. Ms. Peterson said that option has been considered; however, any amounts set aside or allocated by a facility for potential claims are not recognized as an expense by the Department of Human Services in developing a facility's rate. She said representatives of the department indicated that even though funds are "set aside" for losses, the expense could not be recognized until a loss payment is made.

TEMPORARY ASSISTANCE FOR NEEDY FAMILIES

Mr. John Hougen, Director, Public Assistance, Department of Human Services, reported on the status of the reauthorization of the federal TANF program by Congress and on the status of caseloads and expenditures of the TANF program. He said Congress has not yet reauthorized the TANF program, which expires on September 30, 2002. He said because it is unlikely that Congress will pass a new bill for the TANF program by September 30, he anticipates TANF will be temporarily reauthorized by a continuing resolution, with rules and funding levels staying the same as the current program.

Mr. Hougen reported on TANF caseloads. In July 2001, he said, 2,957 families were receiving TANF benefits and in July 2002, 3,158 families were receiving TANF benefits. He said the department is currently anticipating between \$2 million to \$4 million of unspent TANF funds will be carried forward to the 2003-05 biennium. During the legislative session, the department anticipated \$8.9 million of TANF carryover funds to be available in the 2003-05 biennium.

Attached as Appendix B is a chart showing TANF caseloads.

A copy of the report is on file in the Legislative Council office.

DEVELOPMENTAL DISABILITIES SERVICES REIMBURSEMENT SYSTEM

Mr. Zentner reported on the status of the development of a new reimbursement system for developmental disabilities services providers. He said the workgroup considering changes to the payment system has not yet developed a recommendation. He said the workgroup is scheduled to meet again on September 20, 2002.

A copy of the report is on file in the Legislative Council office.

SENIOR CITIZEN MILL LEVY STUDY

The Legislative Council staff distributed information provided by the Aging Services Division of the Department of Human Services providing fiscal information based on 2001 tax year data of various options for the senior citizen mill levy matching grant program. Options include:

1. Limit county mill levies for senior citizen programs to one mill and provide matching grants based on funding appropriated by the Legislative Assembly. Based on current appropriations of \$831,473 per year and 2001 tax data, the matching grants percentage would increase by 10 percent, from 54 to 64 percent of the amounts collected by counties for senior citizen programs.
2. Provide that the department match county mill levies at 100 percent for up to the first mill levied. Based on 2001 tax data, this would require additional funding of \$477,085 per year for state matching grants.
3. Limit state matching grants to up to the first mill levied but maintain each city or county payment to at least the same level as the city or county received in 2001. Based on 2001 tax data, this would require additional funding of \$264,707 per year for state matching grants.
4. Limit state matching grants to up to the first mill levied and provide matching grants based on funding appropriated by the Legislative Assembly. Based on current appropriations of \$831,473 per year and 2001 tax data, the matching grants percentage would increase by 10 percent, from 54 to 64 percent of the amounts collected by counties for senior citizen programs.
5. Distribute state matching grants to counties and cities based on the proportion of each entity's assessed property value to the state-wide assessed property value and based on funding appropriated by the Legislative Assembly, the amount levied by each county or city would no longer be a factor in determining the amount of state matching grants received by each county or city.

A copy of the report is on file in the Legislative Council office.

Representative Severson asked for information on the number of individuals served by each county with the funds provided by the senior citizen mill levy matching grant program. Chairman Warnke asked that the Department of Human Services be invited to provide this information to the committee at its next meeting.

Mr. Larry Leonard, Nutrition United, Devils Lake, commented on the senior citizen mill levy matching grant program. He expressed support for the matching grant program and the assistance it provides to local organizations for providing services to North Dakota senior citizens. He said the federal funds provided by the Older Americans Act provide for only one-third of the cost of the services. He said the programs need additional funding to provide adequate services. He expressed support for the Legislative Assembly increasing funding to match county senior citizen mill levies at 100 percent rather than 54 percent of formula.

The committee recessed for lunch at 11:50 a.m. and reconvened at 1:00 p.m. at the School for the Deaf.

BUDGET TOUR

Mr. Rocklyn Cofer, Superintendent, School for the Deaf, provided information on the school's programs, services, and budget. He said the school has 33 students in its education program from 17 North Dakota counties.

Mr. Cofer said the School for the Deaf supports a parent-infant program for hearing-impaired children from birth to three years of age. He said the program provides children and families specialized instruction in the home which facilitates communication and language development, child development, auditory training, emotional support, and assistance in identifying area resources.

Mr. Cofer reported on the status of the school's 2001-03 biennium budget. He said although the budget allotment ordered by the Governor reduced the school's general fund appropriation by \$53,240 and the school is anticipating its special funds collections to be \$71,000 less than estimated due to a reduction in income from the Land Department, the school anticipates having adequate funding for the 2001-03 biennium. He said the school has generated budget savings from vacant FTE positions and employee turnover.

Mr. Cofer said the current biennium appropriation includes \$45,410 for capital improvement projects, including roof replacement, an electronic door system, and routine road repairs.

Mr. Cofer said for the 2003-05 biennium, the school submitted a 95 percent budget request in accordance with the Governor's budget guidelines. He said the 95 percent budget request resulted in the

unfunding of a special needs teacher and cook positions. In addition, he said, most temporary and overtime salary funding was removed. He said the 95 percent budget request results in the elimination of most staff travel, Internet access, and replacement of auditory trainers and computers.

Mr. Cofer said the school's optional adjustment requests include:

1. \$23,600 to restore funding for dorm and nurse substitutes, activities director, and coach.
2. \$46,960 to restore funding for substitute teachers and interpreters in the classroom.
3. \$22,000 to restore funding for outreach staff to continue home visits.
4. \$7,200 to restore funding for replacement of eight auditory trainers used by the students in the classrooms.
5. \$58,440 to restore funding for a T-1 line for Internet access and internal connections if e-rate funding is not available.
6. \$18,500 to restore funding to replace 20 computers and monitors.
7. \$32,780 for replacement of the pool building roof.
8. \$32,723 to provide additional parking for expanded use of facilities.

A copy of the report is on file in the Legislative Council office.

Representative Price asked whether the school holds any socialization camps for the children. Mr. Cofer said the school provides two summer camps for hearing-impaired students and their siblings from across the state.

The committee conducted a tour of the food service facility, residential areas, audiology, the IVN classroom, academic classrooms, gymnasium, and swimming pool.

The committee traveled to Camp Grafton. Lieutenant Colonel Runck welcomed the committee to Camp Grafton. He said Camp Grafton trains troops 365 days per year. He said the training needs of the military continues to increase. He said the camp trained 63,000 troops this year compared to 45,000 troops in the previous year.

Major Mark Tibor presented information on the programs of the camp. He said a total of 164 permanent employees work at the camp. He said during the summer months, the total number of employees increases to approximately 200.

Major Tibor said the camp operates a south unit for maneuvers and bivouac comprised of 10,000 acres near New Rockford. He said the camp contracts for its food service and its dining facility can serve up to 700 soldiers.

Major Tibor said the camp's budget for federal fiscal year 2001 totaled \$13.1 million, including \$7.2 million of salaries and wages, \$3.4 million of facility operations and maintenance, \$127,000 of

capital improvements, and \$2.3 million of other related expenditures.

Major Tibor said capital improvement needs at the camp include:

1. Land acquisition of 160 acres for local training.
2. Armory roof replacement.
3. Commander's quarters renovation.

A copy of the report is on file in the Legislative Council office.

The committee conducted a tour of the Camp Grafton Training Center.

The committee recessed at 4:45 p.m. and reconvened at 9:00 a.m. on Thursday, September 5, at the Developmental Center in Grafton.

Mr. Alex Schweitzer, Superintendent, Developmental Center, presented information on the Developmental Center's programs, services, and budget. He said the goals of the center for the 2001-03 biennium are to:

1. Provide training and assistance with daily living activities to eligible people with disabilities so they can achieve agreed-upon personal goals.
2. Provide specialized evaluation and treatment services for people with disabilities so they can safely and productively return to their home communities.
3. Collaborate with the Developmental Disabilities Division and the human service centers in making long-term planning decisions with people with disabilities currently residing at the center so they can live in community-based settings. The goal is to discharge 25 individuals to appropriate community settings by July 1, 2004.
4. Maintain accreditation with "the Accreditation Council" and certification with Title XIX to assure quality of care and to access federal reimbursement.
5. Emphasize its clinical assistance resource services program to assist developmentally disabled individuals to remain in their homes and communities.
6. Provide specialized treatment services for developmentally disabled individuals with sexual disorders.

Mr. Schweitzer commented on the status of the center's 2001-03 biennium budget. He said the average census for fiscal year 2002 at the Developmental Center was 150 clients per day. He said federal funds and other revenues for the center are anticipated to be \$1.6 million less than the \$30.3 million projected for the biennium due to the average daily rate being approximately \$50 less than anticipated. In addition, he said the Developmental Center's 1 percent budget allotment results in the general fund appropriation being reduced by \$188,000. He anticipates the center being able to

provide for the shortfalls by holding the majority of the center's 27.23 vacant FTE positions unfilled and reducing operating expenses by 7 percent.

Mr. Schweitzer said the center's 2001-03 capital improvements budget totals \$952,000. He said this funding provides for bond payments of approximately \$649,000, roof repairs, and door replacements.

A copy of the report is on file in the Legislative Council office.

In response to a question from Senator Tallackson, Mr. Schweitzer said a number of organizations are leasing space from the Developmental Center, including the Migrant Council which provides health care services for migrant workers in the area, Northeast Human Service Center, a day care provider, Upper Valley Special Education Unit, Walsh County domestic violence program, a psychiatric services provider, federal Veterans Administration, Head Start program, and an organization providing senior living facilities.

Representative Price asked for the number of clients that work in the community. Ms. Sue Forrester, Assistant Superintendent, Developmental Center, said approximately 20 clients from the center work in the community with the assistance of job coaches.

The committee conducted a tour of the center's vocational training program, gift shop, adaptive equipment services facility, the sex offender treatment program, which is treating 15 residents, the Maplewood residential facility, and the physical therapy/occupational therapy program.

CHARITABLE CHOICE STUDY

The Legislative Council staff presented a memorandum entitled *Charitable Choice - Congressional Action*. The Legislative Council staff said two bills are being considered by Congress relating to Charitable Choice--House Resolution 7, the Community Solutions Act, which has passed the House of Representatives, and Senate Bill 1924, the Care Act, which is anticipated to be considered by the full Senate in September 2002.

Ms. Janne Myrdal, Pregnancy Help Center, Park River, commented on the Charitable Choice study. She expressed concern that if faith-based organizations contract with the state to provide services, her organization may be required to change the way it functions.

ALTERNATIVES-TO-ABORTION SERVICES STUDY

Chairman Warnke distributed copies of 2001 Engrossed Senate Bill No. 2354 and a copy of a letter from representatives of the federal Department of Health and Human Services. Copies of the bill and letter are on file in the Legislative Council office.

Chairman Warnke said the letter indicates that federal TANF funds may be used by the state for an

alternatives-to-abortion services program; however, based on the information provided by the Department of Human Services regarding the TANF program, she said, an adequate amount of TANF funds may not be available to begin a new program during the 2003-05 biennium.

Representative Price said the State Department of Health is considering establishing a toll-free telephone line relating to bioterrorism issues that will be staffed by nurses. She suggested a lower cost option to the alternatives-to-abortion services program included in Engrossed 2001 Senate Bill No. 2354 would be to expand the purpose of this toll-free telephone line to include referrals to alternatives-to-abortion services programs in the state.

Ms. Cathy Haus, Cavalier County Friends for Life, commented on the alternatives-to-abortion services program. She expressed support for alternatives-to-abortion services programs. She said if the state does become involved, the state agency administering the program needs to ensure that the organizations involved in the program are not referring individuals for abortions. She expressed concern that language in the bill considered by the 2001 Legislative Assembly precluded organizations from proselytizing, which she believes is a very important aspect of alternatives-to-abortion services programs.

Representative Porter asked if the organizations involved in providing alternatives-to-abortion services would be concerned if a bill similar to Engrossed 2001 Senate Bill No. 2354 was passed. He said when implemented, this type of program could result in certain alternatives-to-abortion services programs receiving state funding while other alternatives-to-abortion services programs would need to rely on fundraising efforts. Ms. Myrdal expressed concern that proabortion organizations receive a substantial amount of government funding now while alternatives-to-abortion services programs operate on funds raised privately. She believes if a government program would be available for providing funding to alternatives-to-abortion services programs, her organization would most likely not apply because of the potential negative involvement of the government in the operations and activities of the alternatives-to-abortion services programs.

Mr. Tim Lindgren, North Dakota Life League, Fargo, commented on the alternatives-to-abortion services study. He said the number of abortions in North Dakota has been decreasing since one of the two abortion facilities in the state closed in 2001.

Mr. Lindgren said the Life League's principal concern with the 2001 bill providing for an alternatives-to-abortion services program was the language precluding organizations from sectarian instruction. He said the Life League believes that United States courts would prohibit organizations from providing abortion-related counseling. He said the Life League is also concerned with the potential

negative effect government involvement would have on the operations of faith-based pregnancy centers.

Mr. Lindgren distributed a proposal establishing a North Dakota policy of not accepting or disbursing any federal Title X funding in North Dakota. He said the Title X program was originally intended to reduce out-of-wedlock pregnancies but has resulted in an increase in the number of abortions.

Representative Porter said if the state did not accept and distribute the Title X funding to public health units, another organization could apply for and receive the funds for providing family planning services in North Dakota.

Representative Porter suggested the Legislative Council staff review Title X provisions and determine whether other organizations could receive the funding if North Dakota did not accept its share and the fiscal impact on public health organizations if the funding is not received. Chairman Warnke requested the Legislative Council staff to provide this information to the committee at its next meeting.

Representative Warnke requested that the State Department of Health be invited to the committee's next meeting to provide information on its initiative to establish a toll-free telephone number relating to bioterrorism and the possibilities of expanding the initiative to include referrals to alternatives-to-abortion services programs.

It was moved by Representative Kerzman that the Legislative Council staff prepare a bill draft with provisions similar to those included in Engrossed Senate Bill No. 2354 considered by the 2001 Legislative Assembly for the committee's next meeting. The motion failed for lack of a second.

Representative Porter suggested the Department of Human Services provide information to the committee on the recommendations of the long-term care needs assessment and nursing facility payment system study that it intends to implement. Chairman Warnke requested that the Department of Human Services be invited to provide this information to the committee at its next meeting.

Representative Price suggested the Department of Human Services be asked to provide information on the timeframes involved in referring TANF recipients to services compared to the process that was envisioned in the original welfare reform legislation approved in 1997. Chairman Warnke said the department will be invited to provide this information to the committee at its next meeting.

Chairman Warnke announced that the next committee meeting is tentatively scheduled for Tuesday, October 22, 2002, beginning at 10:00 a.m. in the Roughrider Room, State Capitol, Bismarck.

It was moved by Representative Porter, seconded by Representative Pollert, and carried on a voice vote that the committee meeting be

adjourned. The meeting adjourned subject to the call of the chair at 12:00 noon.

Allen H. Knudson
Assistant Legislative Budget Analyst and Auditor

Jim W. Smith
Legislative Budget Analyst and Auditor

ATTACH:2