

# Taxation Committee

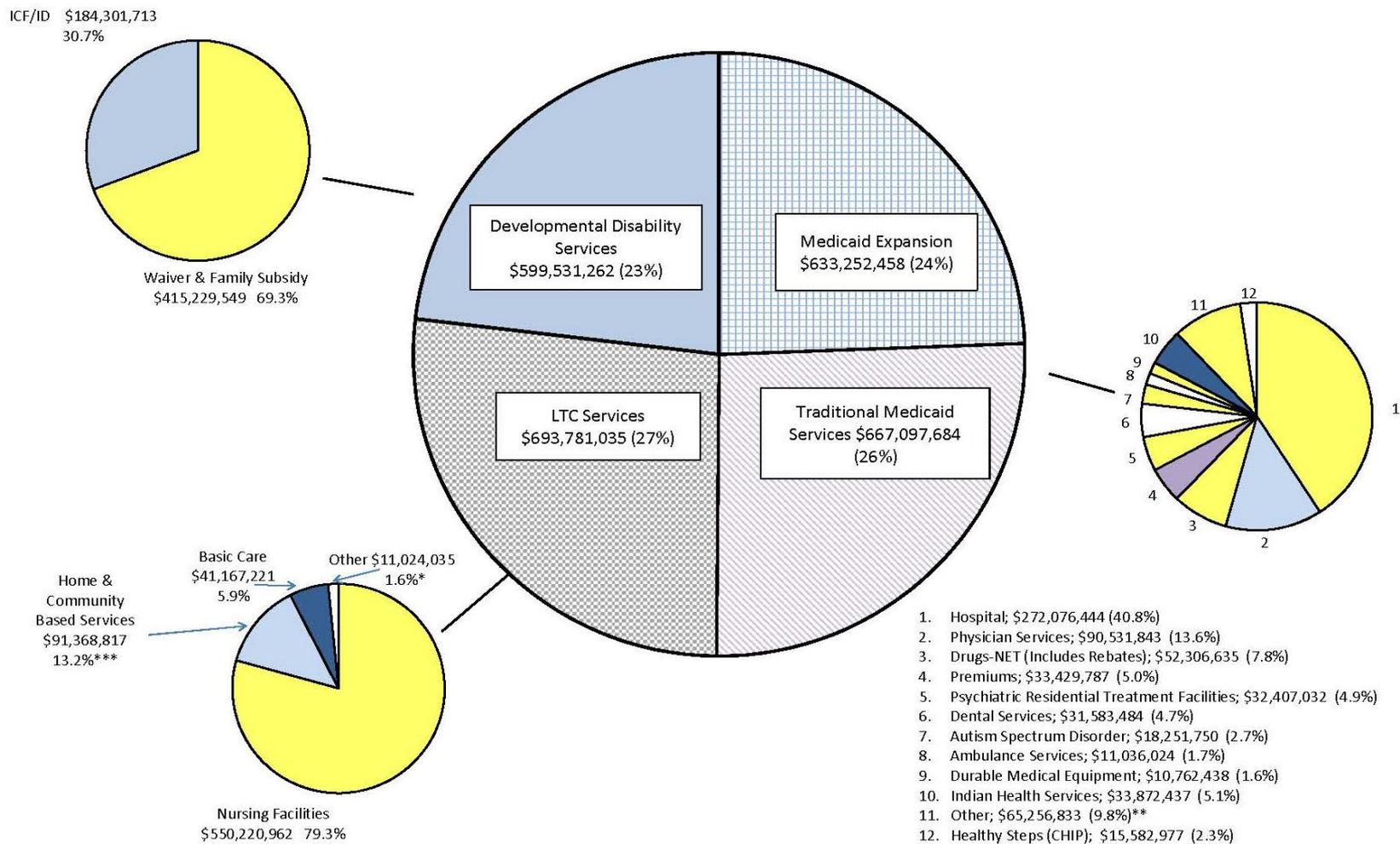
## December 14, 2017

Costs incurred by the State in providing long-term care services

Maggie Anderson, Director  
Medical Services Division



**North Dakota Department of Human Services**  
**2017 - 2019 Legislatively Approved Budget**  
*(Includes HB 1012 and other 2017 bills with DHS Appropriation)*  
**Medical Assistance Grants \$2,593,662,439**



\* Includes Personal Needs Allowance, Community of Care, and unmatched federal authority received during the 2017 Legislative Session.

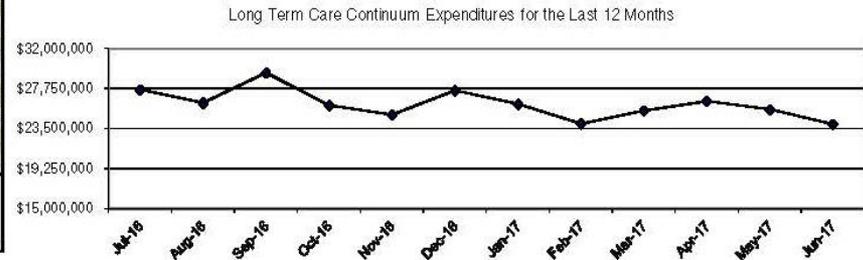
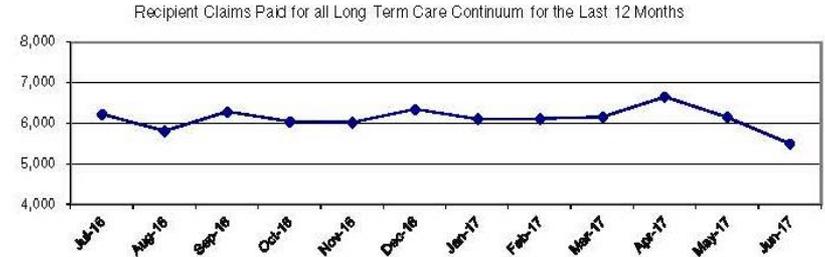
\*\* Includes County Jail Claims and Remedial Eye Care.

\*\*\* Includes SPED, Expanded-SPED, Personal Care, Targeted Case Management, Home and Community-Based Services Waiver, Children's Medically Fragile Waiver, Technology Dependent Waiver, PACE, Children's Hospice Waiver, Money Follows the Person Sustainability, Autism Waiver and Autism Voucher.

**Section 12 - LONG TERM CARE CONTINUUM  
APPROPRIATION 2015-2017 BIENNIUM \$623,982,271**

Service	Budget (8/15-6/17)		Actual Paid (8/15-6/17)			Percentage of Appropriation Used*
	Monthly Average Units of Service	Monthly Average Cost Per Unit	Monthly Average Units of Service	Monthly Average Cost Per Unit	Spent to Date	
Nursing Homes (& Hospice) Basic Care	95,366	221	93,601	221	497,446,563	98.3%
	19,767	73	18,785	78	35,096,508	101.3%

Service	Monthly Average Number of People	Monthly Average Cost Per Person	Monthly Average Number of People Receiving	Monthly Average Cost Per Person	Spent to Date	Percentage of Appropriation Used*
SPED	1,192	515	1,023	516	12,654,137	85.9%
Expanded SPED	152	410	142	427	1,455,392	97.5%
HCBS Waiver	306	1,874	283	1,976	13,397,388	97.3%
Targeted Case Management	487	153	400	154	1,477,844	82.7%
Personal Care Option	638	1,997	574	2,154	29,684,583	97.0%
Tech. Dep. Waiver	2	15,152	1	13,939	362,404	66.4%
Medically Fragile Waiver	15	1,560	9	1,092	220,647	39.3%
PACE	170	4,782	123	5,475	15,507,215	79.6%
Children's Hospice Waiver	2	2,524	0	0	0	0.0%
<b>Total Long-Term Care Continuum Expenditures to Date</b>					<b>\$ 607,302,681</b>	<b>97.3%</b>



PROGRAM NOTES:

A unit is equal to one day of service.

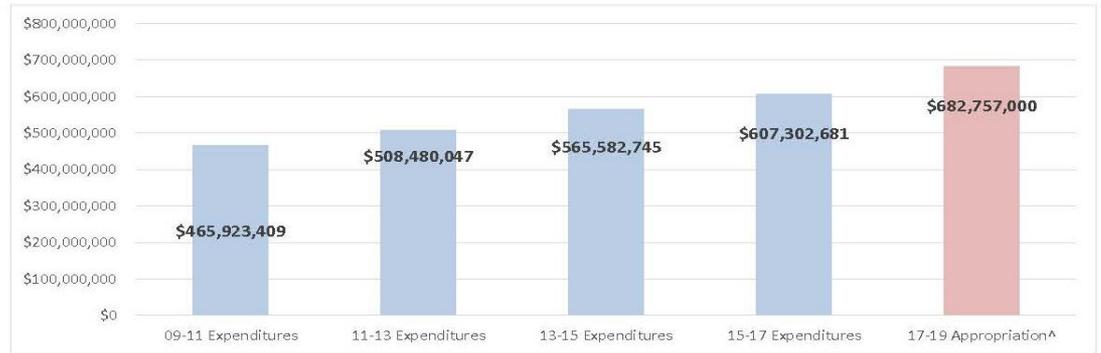
A rate decrease of 10% for Homemaking Services for Home and Community-Based Services was implemented September 1, 2016 due to the February 2016 budget allotment.

Provider inflation for the 2nd year of the biennium was not given on 7/1/2016 due to the February 2016 budget allotment.

Fluctuations in expenses are due to the timing of when payments are made.

## Long Term Care Continuum Expenditures and Appropriation\* 2009 - 2011 Biennium to 2017 - 2019 Biennium

Biennium	Total Expenditures / Appropriation
09-11 Expenditures	\$465,923,409
11-13 Expenditures	\$508,480,047
13-15 Expenditures	\$565,582,745
15-17 Expenditures	\$607,302,681
17-19 Appropriation^	\$682,757,000

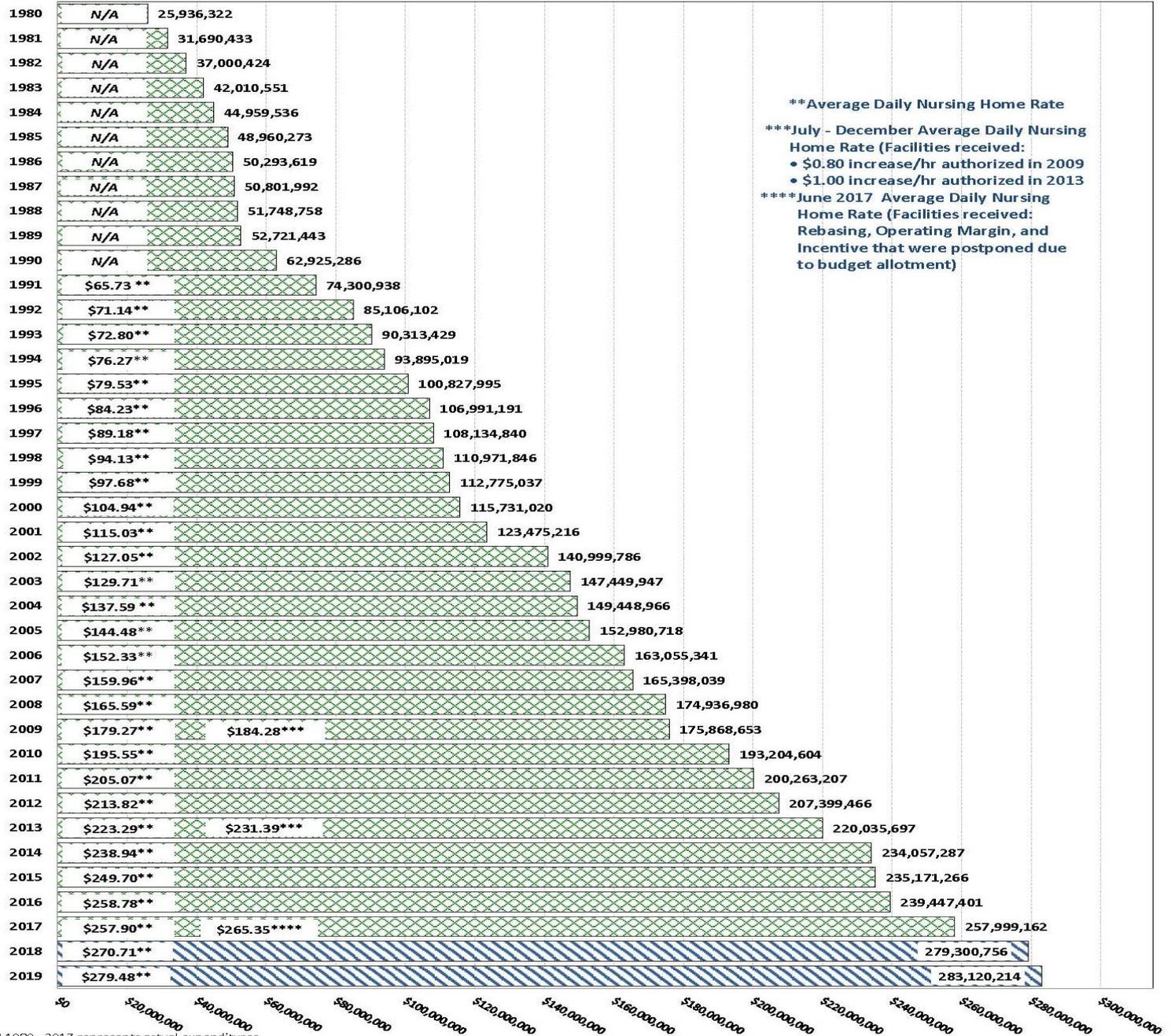


Fiscal Year Beginning	Inflationary Increases Granted by Legislature	Notes
July 1, 2018	0%	
July 1, 2017	0%	Nursing Homes operating margin increase effective January 1, 2018
July 1, 2016	3.0%	Although a 3% increase was appropriated, inflationary increases were not provided due to the February 2016 budget allotment. 2017 Legislative action restored funding for Nursing Home rebasing, incentives, and operating margin effective June 1, 2017
July 1, 2015	3.0%	
July 1, 2014	4.0%	Nursing Facility, Basic Care and QSP's received a 3% inflationary increase.
July 1, 2013	4.0%	Nursing Facility and Basic Care received a wage pass-through for staff of \$1 per hour, and the QSP fee schedule was increased by \$1 per hour. These providers received a 3% inflationary increase.
July 1, 2012	3.0%	
July 1, 2011	3.0%	
July 1, 2010	6.0%	
July 1, 2009	6.0%	Reimbursement levels/fee schedules for Providers paid from the professional fee schedule, Hospitals, Dentists, Ambulance and Chiropractors were rebased therefore they did not receive inflation the first year of the biennium.

\*Long Term Care Continuum does not include services for Individuals with Developmental Disabilities.

^ Does not include \$10,710,835 in excess Federal Authority

# Nursing Home Facility Expenditures



**\*\* Average Daily Nursing Home Rate**  
**\*\*\* July - December Average Daily Nursing Home Rate (Facilities received:**  
 • \$0.80 increase/hr authorized in 2009  
 • \$1.00 increase/hr authorized in 2013  
**\*\*\*\* June 2017 Average Daily Nursing Home Rate (Facilities received:**  
 Rebasing, Operating Margin, and Incentive that were postponed due to budget allotment)

\* 1980 - 2017 represents actual expenditures.  
 2018 and 2019 represents appropriated expenditures in the 17 - 19 Legislatively approved budget. Does not include \$12.3 million in grant underfunding for the 17-19 biennium.  
 The average daily nursing home rate is effective January 1 of each year unless otherwise indicated.