TESTIMONY BEFORE THE BUDGET COMMITTEE ON HUMAN SERVICES July 11, 2006

Chairman Dever and members of the committee, I am Maggie Anderson, Director of Medical Services for the Department of Human Services. I appear before you to provide information regarding the status of the Department's Medicaid waiver application to provide in-home services to children with extraordinary medical needs and report on the status of services being provided to medically fragile children.

Children with Extraordinary Medical Needs Waiver

The 2005 Legislative Assembly passed Senate Bill 2395, which directed the Department to apply for a waiver to provide in-home services to children with extraordinary medical needs who would otherwise require hospitalization or nursing facility care. The bill further specified that the department could limit the waiver to fifteen participants and prioritize applicants by degree of need.

The Medical Needs Task Force, convened by the Department in 2005, continues to meet about every six weeks. Task Force members provide information about children's unmet health needs and recommendations to the Department regarding the Medicaid waiver for children with extraordinary medical needs. Meetings of this group are scheduled through November 2006 and will continue until the waiver process is completed.

A study estimating the number of medically fragile children in North Dakota and a profile of their medical care costs has been completed. With the help of the Department's research staff, the Task Force is now in process of validating and prioritizing the most critical service needs for this

population of children and their families. The Department also recently completed a preliminary fiscal analysis in order to estimate a potential per person cost for the waiver program.

Within the Department, a team has been established to coordinate efforts for eventual submission of a waiver application to help children with extraordinary medical needs. This team meets monthly and is the work group that is responsible for the actual writing and submission of the application. A draft of the application is expected to be available for public comment late summer or early fall. The Department anticipates the waiver application will be submitted during 2006 with an effective date after the beginning of the next biennium.

Medically Fragile Children – See Attachment A

I would be happy to address any questions that you may have.