

**BEFORE THE  
ADMINISTRATIVE RULES COMMITTEE  
OF THE  
NORTH DAKOTA LEGISLATIVE COUNCIL**

<b>N.D. Admin. Code Chapter</b>	)	
<b>75-02-07.1, Ratesetting for</b>	)	<b><u>REPORT OF THE</u></b>
<b>Basic Care Facilities</b>	)	<b><u>DEPT. OF HUMAN SERVICES</u></b>
<b>(Pages 227-239)</b>	)	<b>June 11, 2014</b>

.....

For its report, the North Dakota Department of Human Services (Department) states:

1. The proposed amendments to N.D. Admin. Code chapter 75-02-07.1 are not related to statutory changes made by the Legislative Assembly.
2. These rules are not related to changes in a federal statute or regulation.
3. The Department uses direct and electronic mail as the preferred ways of notifying interested persons of proposed rulemaking. The Department uses a basic mailing list for each rulemaking project that includes the county social service board directors, the regional human service centers, Legal Services of North Dakota, all persons who have asked to be on the basic list, and internal circulation within the Department. Additionally, the Department constructs relevant mailing lists for specific rulemaking. The Department also places public announcements in all county newspapers advising generally of the content of the rulemaking, of over 50 locations throughout the state where the proposed rulemaking documents may be reviewed, and stating the location, date, and time of the public hearing.

The Department conducts public hearings on all substantive rule-making. Oral comments are recorded. Oral comments, as well as any written comments that have been received, are summarized and presented to the Department's executive director, together with any response to the comments that may seem appropriate and a re-drafted rule incorporating any changes occasioned by the comments.

4. A public hearing on the proposed rules was held in Bismarck on April 2, 2014. The record was held open until 5:00 p.m. on April 14, 2014, to allow written comments to be submitted. One set of written comments was received. The "Summary of Comments" is attached to this report.
5. The cost of giving public notice, holding a hearing, and the cost (not including staff time) of developing and adopting the rules was \$2,052.82.
6. The proposed rules amend chapter 75-02-07.1. The following specific changes were made:

Section 75-02-07.1-01. Section 75-02-07.1-01 is amended to update language in the definition of "depreciation guidelines," to correct a typographical error in the definition of "property costs," and to amend the definition of "specialized facility for individuals with mental disease" to reflect that they do not provide diagnoses.

Section 75-02-07.1-22. Section 75-02-07.1-22 is amended to remove language that resulted in rate inequities and to set the direct care and indirect care limit rates beginning July 1, 2014, pending further

revision of this section on rate limitations. (This section was further amended in response to comments received.)

Section 75-02-07.1-23. Section 75-02-07.1-23 is amended to allow notification of facilities by electronic mail on adjustments made based on a desk review.

Section 75-02-07.1-26. Section 75-02-07.1-26 is amended to remove obsolete language and to address one-time adjustments for cost increases.

7. No written requests for regulatory analysis have been filed by the Governor or by any agency. The proposed amendments are not expected to have an impact on the regulated community in excess of \$50,000. A regulatory analysis was prepared and is attached to this report.
8. A small entity regulatory analysis and small entity economic impact statement were prepared and are attached to this report.
9. The expected fiscal impact of these rules is minimal to none.
10. A constitutional takings assessment was prepared and is attached to this report.
11. These rules were not adopted as emergency (interim final) rules.

Prepared by:

Julie Leer  
Legal Advisory Unit  
North Dakota Department of Human Services  
June 11, 2014