North Dakota changes how it pays for services for people with developmental disabilities

BISMARCK, N.D. – On April 1, North Dakota will begin using a new method to pay for services provided to individuals with developmental disabilities. State funding for these important services has not decreased, but will be distributed in a more consistent and equitable way based on the unique assessed needs of individuals.

The Department of Human Services has been working with consultants, service providers and other stakeholders since 2011 when lawmakers enacted Senate Bill 2043 directing the department to transition from the state’s original retrospective, cost-based system to a client-focused, fee-for-service system. The new methodology uses standardized rates by service type and bases staffing levels on assessed client needs.

Addressing the uncertainty that can accompany change, department Executive Director Chris Jones said, “We continue to work with individuals and providers to ensure their health and safety. That remains our priority as we implement this modern payment model.”

Developmental Disabilities Division Director Tina Bay said that changing from a completely negotiated system to one that is based on assessed client needs and uses standard rates and assessment tools, may result in differences in staffing patterns.

“We have a contract with an independent third party to complete the individual needs assessments. The assessments themselves are nationally recognized and used in other states. They also factor in behavioral and medical needs. Based on the results, individuals may qualify for more or fewer staffing hours than they currently receive,” Bay said.

She said the steering committee created an outlier policy to review those situations where an individual may need more support than what was identified in the assessment. The division has approved about half of the outlier requests it has received.

“If a request is denied, a person’s team can make another request at any time, as long as there is new or additional information supporting the need for more staffing hours,” Bay said.

The new payment methodology applies to these services: day habilitation, residential habilitation, independent habilitation, intermediate care facility services for people with intellectual disabilities, prevocational services, small group employment support and individual employment support. It will impact about 2,400 people who are receiving these services.

During the 2017 state fiscal year, North Dakota provided program management or other developmental disability services in partnership with service providers to about 7,303 individuals.

Additional information about the new payment methodology is available online at www.nd.gov/dhs/services/disabilities/dd-rate-methodology.html. Individuals with questions can contact their developmental disabilities program manager or the Developmental Disabilities Division at 701-328-8930, toll-free 800-755-8529, TTY 800-366-6888 or dhsddreq@nd.gov.