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

1. The proposed amendments to N.D. Admin. Code chapter 75-02-02 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 rulemaking. 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 3, 2014. The record was held open until 5:00 p.m. on April 14, 2014, to allow written comments to be submitted. No written comments were 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 $2,024.73.

6. The proposed rules amend chapter 75-02-02. The following specific changes were made:

   - **Section 75-02-02-08.** Section 75-02-02-08 is amended to identify the type of entity that may provide dental services that may be reimbursed under 42 C.F.R. 440.90.

   - **Section 75-02-02-10.2.** Section 75-02-02-10.2 is amended to clarify that ambulatory behavioral health care may be hospital-based or community-based, to update the labels of the different levels of ambulatory behavioral health care to American Society of Addiction Medicine (ASAM) levels, to increase the allowed number of days for payment under ASAM levels II.5 and II.1, and to allow approval of additional days for ASAM I ambulatory behavioral health care services.
**Section 75-02-02-13.1.** Section 75-02-02-13.1 is amended to clarify travel expenses payable to foster parents of a medicaid-eligible child.

**Section 75-02-02-29.** Section 75-02-02-29 is amended to correct a misspelled word.

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 fiscal impact of these rules is a potential net savings of approximately $7,100.

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:

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