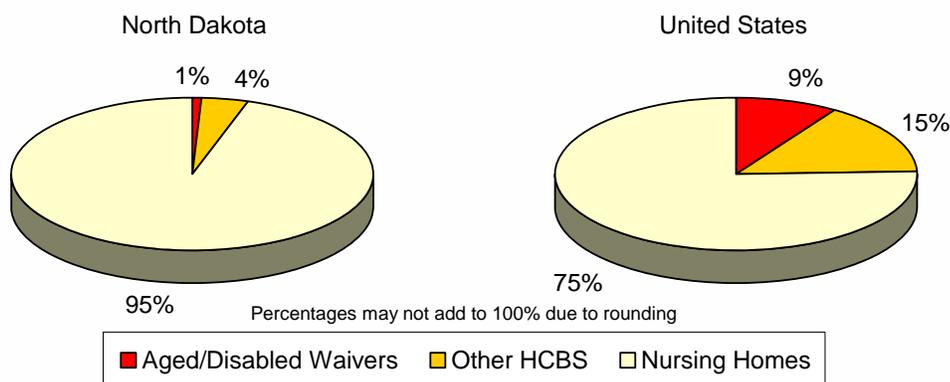


State Long-Term Care Reform in
NORTH DAKOTA

Medicaid Long-Term Care Spending for Older People and Adults with Physical Disabilities in North Dakota and the U.S., 2006



Compared to the U.S. average, North Dakota allocates a much greater percentage (95 percent) of its Medicaid long-term care (LTC) spending for older people and adults with physical disabilities to nursing homes, even though most people prefer to remain in their own homes and communities. In FY 2006, North Dakota spent 1 percent on waiver services and 4 percent on personal care services (PCS).

Type of Service	Medicaid Participants ¹			Expenditures (millions)		
	1999	2004	Change	2001	2006	Change
HCBS	347	979	+632	\$4	\$9	+\$4
Nursing Homes	5,570	5,599	+29	\$151	\$168	+\$16

Although North Dakota has one of the country’s least balanced Medicaid LTC systems for older people and adults with physical disabilities, the state has made some progress in increasing the number of Medicaid home and community-based services (HCBS) participants in recent years. However, many more Medicaid participants received nursing home services than received HCBS. From FY 2001 to FY 2006, the increase in Medicaid spending on nursing homes was four times the increase in spending on HCBS. Medicaid, however, is not the only source of funding for LTC in the state. State-funded programs also provide HCBS to older people and people with physical disabilities (described on the next page).

¹ This analysis separates Medicaid participation and spending data for older people and adults with physical disabilities from the population with mental retardation/development disabilities (MR/DD) and other LTC populations. Participants and expenditures for HCBS include all 1915(c) waivers for older people and adults with physical disabilities, and the personal care services option, if the state offers it. All participants and expenditures for nursing homes are included, regardless of the participants’ type of disability or reason for admission. Excluded are participants and expenditures for intermediate care facilities for mental retardation (ICF/MR), HCBS waivers for other populations such as MR/DD, home health, and individuals receiving LTC services through managed care programs. Participant numbers include all persons receiving services during the year, not the average number on a given day; the number of nursing home participants is greater than the number of nursing home beds in each state. The average number of Medicaid nursing home residents on any given day for each state appears in the *Tables* tab at the end of the full report *A Balancing Act: State Long-Term Care Reform (#2008-10)*.

Major Initiative

In 1983, the North Dakota legislature authorized the state-funded Service Payments for the Elderly and Disabled (SPED) program, which provides services to older persons and persons with physical disabilities. To be eligible, persons must be impaired in four activities of daily living, such as dressing and eating, or five other types of activities (such as laundry or housework). One of the covered services includes reimbursement for a family caregiver who lives with the beneficiary. Approximately 1,300 persons age 60 and older participated in SPED in 2007. In FY 2007, SPED expenditures totaled \$5.6 million.

In 1994, the legislature authorized an Expanded SPED program that pays for in-home services for people with disabilities who would otherwise be eligible for services in Basic Care Facilities, which are facilities licensed by the Department of Health to provide 24-hour supervision. Eligibility requires being impaired in three of four specific daily activities (meal preparation, housework, laundry, or taking medications) or having health, welfare, or safety needs that require supervision or a structured environment. In 2007, 78 people age 60 and older were enrolled in the program, whose expenditures totaled \$238,000.

“SPED” and “ExSPED”

These state-funded programs provide services—including payment to a family caregiver—to older people and people with disabilities. State expenditures for these programs totaled \$5.8 million in FY 2007 and served 1,300 people.

Other Developments

Money Follows the Person. In May 2007, North Dakota was awarded an \$8.9 million, five-year federal Money Follows the Person Demonstration grant to help 110 persons move from nursing homes to community settings. In its application, the state described caregiver support in sparsely populated rural areas as “fragile” and emphasized the need to address transportation and socialization needs in those areas.

Nursing Home Moratorium. North Dakota had a moratorium on expansion of nursing facility beds that expired in July 2007. The legislature extended the moratorium, however, until July 31, 2009.