

TESTIMONY
Senate Bill 2043 – Developmental Disabilities Service Providers
Payment System Pilot Project
Senate Appropriations
Senator Ray Holmberg, Chairman
February 10, 2011

Chairman Holmberg, members of the Senate Appropriations Committee, I am Barbara Murry, Executive Director of the North Dakota Association of Community Providers. I am here today to testify in support of the payment system pilot project bill.

NDACP supports this bill. The recent study by Burns and Associates identified that our current payment system is the most complex in the nation, extremely labor intensive, and does not tie acuity of consumer need to rates.

There are a few areas that I would like to highlight for your consideration. The study completed by Burns and Associates was designed to look at fair and equitable methodology to tie rates to the needs of consumers who are medically fragile or have high behavioral needs. It was limited in its scope. By that I mean, it did not evaluate all aspects of our reimbursement system, which will need to be looked at if we proceed to a new payment system. Some of the major areas that will need to be reviewed are environmental factors for consumers, initial handling of historical costs, including administrative costs, property, and other

elements such as travel. A careful review of how these items will be included into a prospective payment system or fee for service system needs to be done. There has been no substantive discussion of this, to date.

Providers were included in discussion with Burns and Associates on a more limited basis during their review of the Support Intensity Scale being tied to the rate setting. Language in the bill, regarding the steering committee will assure Providers are at the table as full partners as the payment system is being developed.

Providers want to look at a prospective or related payment system. The “related payment system” language is to assure that possibility of a fee for service system is also considered, along with a strictly defined prospective payment system model. This variation is important to us. It is important to fund this bill because provider and DHS personnel do not have the expertise to develop a new system. We badly need to move towards a simpler, easier to understand and administer system.

I would be happy to answer any questions you might have.

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