

## Federal funding cuts to North Dakota agencies total \$100M so far, analysis shows

Lawmakers also watching state impact of 'big, beautiful bill'

BY: **MICHAEL ACHTERLING AND AMY DALRYMPLE** - JUNE 26, 2025 5:32 PM



At least \$100 million in federal grants have been canceled for North Dakota state agencies under the Trump administration so far, according to an analysis presented Thursday to state legislative leaders.

may not be a complete picture of the state impact, but it's the first time such a list has been compiled since the Department

of Government Efficiency began cutting costs.

"It is constantly changing and no guarantee that it is comprehensive," Grant Gader, fiscal analyst for Legislative Council, said during a meeting of the Legislative Management Committee.

## Health agencies scramble as North Dakota loses federal grants



Some North Dakota health agencies are trying to adjust to the sudden loss of federal funding. The North Dakota Department of Health and Human Services learned last week it lost about \$3.2 million in federal funding for substance-use treatment and mental health programs after block grants were

rescinded by a federal agency. In an evening ...

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The state Department of Health and Human Services has seen the bulk of the federal funding cuts with 12 grants that were

The agency lost about \$69.5 million from the Centers for Disease Control and Prevention that was awarded for the prevention and control of emerging infectious diseases, vaccines for children and grants to address COVID-19 health disparities for underserved populations.

Another \$6.3 million in grants to address mental health and substance abuse also was canceled.

Those funding cuts have affected public health agencies and other organizations statewide.

The next largest cut was the loss of about \$20 million in that were designated for various North Dakota infrastructure projects. Lawmakers during the session of about \$9.7

million to fund wastewater projects in two communities after the grants were canceled.

The analysis, which Gader said comes from federal sources, shows about \$8 million has been canceled for various state agencies as of this month, including:

- \$4.5 million to the state for digital equity planning and capacity
- \$2 million for the University of North Dakota for a school safety grant
- \$990,000 for the Department of Environmental Quality for radon awareness, testing and mitigation to reduce radon impacts to low-income homes
- \$580,000 to the Department of Agriculture for local food purchase agreements
- \$105,000 National Institute of Health grant to UND for an undergraduate training initiative

Gader said his analysis does not include federal grants awarded directly to local agencies.



Also this week, the Budget Section of the Legislature approved spending nearly \$190,000 in contingency funds to cover an education-related grant that was no longer available after the funds had been spent.

The dollars were part of Governor's Emergency Education Relief funding authorized by Congress through the COVID-19 stimulus package. It supported initiatives such as the North Dakota Commission on Juvenile Justice and the Teacher Retention and Recruitment Task Force.

The deadline to spend the funds was extended through March, but the state was notified in March that the funds were not available, said Joe Morrisette, director of the Office of Management and Budget.

"We're somewhat of a victim here of the federal Department of Government Efficiency efforts," he said.

Morrisette told lawmakers Thursday that staff tried repeatedly to get in touch with the U.S. Department of Education to inquire about the grant, but they usually received responses that the employee no longer worked at the department.

"So, we have not gotten any resolution from the feds on this and as we get close to the end of the biennium now, we're a little bit stuck in how we handle this," Morrisette said.

Lawmakers on Thursday asked the Office of Management and Budget to also start tracking federal funding cuts. There's a possibility lawmakers could reconvene in a special session to consider state funding to replace lost federal dollars.

"We're going to need a big picture," said Senate Minority Leader Kathy Hogan, D-Fargo.

Hogan also asked legislative staff to research more details about the impact of the funding cuts.

"If you cut \$75 million, somebody's going to be impacted by that," Hogan said. "And I don't think we know exactly who that is yet."

Lawmakers also are preparing for a state impact from the "big, beautiful bill" under consideration in Congress.

North Dakota could lose about \$1.4 billion in federal Medicaid funding over 10 years, if the U.S. House version of the legislation is signed into law, according to a Legislative Council presented Thursday. Medicaid enrollment in North Dakota would be reduced

by an estimated 18% by 2034, with some of the reduction attributed to mandatory work requirements.

The memo analyzed reports issued on the bill by the Congressional Budget Office and the Kaiser Family Foundation. The analysis does not take into account changes to the bill as it's being

The bill as approved by the House also would force states to contribute to a cost-sharing formula for the Supplemental Nutrition Assistance Program beginning in 2028. Under current law, the federal government pays the benefits for the program and states only cover the program's administrative costs.

The North Dakota impact of that legislation is unclear as the details are still being debated. Legislative Council projects that the state would have to pay an additional \$18 million every two years to administer the program. However, that doesn't take into account changes to the program that may require additional staff to implement.

Donna Aukland, chief financial officer for the state Department of Health and Human Services, told lawmakers the agency may have to hire additional people or delay other work to accommodate the new eligibility requirements for federal programs.

Lawmakers saved six legislative days of the 80-day limit in case they need to reconvene to address impacts of federal funding cuts.

"This is something we need to keep our eye on," Senate Majority Leader David Hogue, R-Minot, said. "I suspect when the final 'big, beautiful bill' project emerges, there will be more updates."

*Mary Steurer contributed to this report.*

SUPPORT



# North Dakota Legislative Council

Prepared for the Legislative Management

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## PROPOSED FEDERAL FUNDING REDUCTIONS AND RESCISSIONS

This memorandum provides an analysis of the potential impact of proposed funding reductions included in 2025 House of Representatives Bill No. 1, the One Big Beautiful Bill Act, as well as the estimated impact of recent federal funding rescissions on the state of North Dakota.

### ONE BIG BEAUTIFUL BILL ACT - SUMMARY

The One Big Beautiful Bill Act is the budget reconciliation bill currently under consideration in Congress. The bill passed the House of Representatives on May 22, 2025. The bill includes various proposals that would reduce federal allocations to states, including changes to entitlement programs and cost-sharing requirements for states. Major provisions of the bill include:

#### Medicaid Changes

The bill includes significant changes to Medicaid that would reduce federal spending on the program. The Congressional Budget Office estimates that the Medicaid provisions currently in the bill would reduce federal spending by \$793 billion over the 10-year period from 2025 through 2034. An analysis of the Congressional Budget Office estimates by the Kaiser Family Foundation indicated North Dakota's share of this reduction would be approximately \$1.42 billion, or 12 percent of projected federal Medicaid spending in the state, compared to baseline projections. The provisions currently in the bill are estimated to reduce Medicaid enrollment in North Dakota by 18 percent by 2034, compared to baseline levels. Approximately 45 percent of the funding reduction would be attributable to a mandatory work requirement of 80 hours per month for able-bodied adults aged 19-64 without dependents, beginning December 31, 2026, for Medicaid expansion enrollees.

Additional policy changes reducing federal expenditures and program enrollment include:

- Increased copayments for various services, including cost-sharing of up to \$35 per service (up to 5 percent of family income) for adults enrolled in Medicaid Expansion with incomes between 100 percent and 138 percent of the federal poverty level, beginning December 31, 2027;
- Semiannual eligibility determinations, replacing annual determinations, beginning December 31, 2026; and
- A prohibition on Medicaid coverage for undocumented immigrants, beginning October 1, 2026.

#### Supplemental Nutrition Assistance Program Changes

Under current law, supplemental nutrition assistance program (SNAP) benefits are paid entirely by the federal government, with states only contributing to administrative costs. House of Representatives Bill No. 1 would introduce state cost-sharing for benefits starting in federal fiscal year 2028, with states' shares based on their SNAP payment error rates. The schedule below outlines North Dakota's estimated biennial share of benefit costs by error rate, based on federal fiscal year 2024 benefit costs within the state:

Error Rate	Biennial State Share of Benefit Costs			
	House Provision		Senate Proposal	
	Cost-Share Percentage	Estimated Amount (in Millions)	Cost-Share Percentage	Estimated Amount (in Millions)
0.00-5.99%	5%	\$11.1	0%	\$0
6.00-7.99%	15%	33.4	5%	11.1
8.00-9.99%	20%	44.6	10%	22.3
10.00% or greater	25%	55.7	15%	33.4

The United States Department of Agriculture publishes annual which outline payment error rates by state. The 2023 national average error rate was 11.68 percent and North Dakota's error rate was 9.51 percent. North Dakota's 10-year average error rate was 5.41 percent. North Dakota's error rates for the last 10 years are as follows:

Year	Overpayment Rate	Underpayment Rate	Payment Error Rate
2023	7.83%	1.68%	9.51%
2022	8.06%	1.45%	9.51%
2021 <sup>1</sup>	N/A	N/A	N/A
2020 <sup>1</sup>	N/A	N/A	N/A
2019	3.96%	0.96%	4.92%
2018	3.34%	1.18%	4.52%
2017	3.67%	1.26%	4.93%
2016 <sup>1</sup>	N/A	N/A	N/A
2015	2.02%	0.71%	2.73%
2014	1.57%	0.16%	1.73%
Average	4.35%	1.06%	5.41%

<sup>1</sup>Data was unavailable in 2016, 2020, and 2021. The United States Department of Agriculture did not report SNAP error rates for fiscal years 2016 due to concerns about data quality in many states. From May 2020 through June 2021, error rate reporting was suspended due to the COVID-19 pandemic.

In addition, the share of administrative expenses covered by states would increase from 50 percent to 75 percent, beginning in federal fiscal year 2028. Based on 2024 administrative expenses, North Dakota's share of administrative costs for the program would increase by \$18 million per biennium.

Other provisions reducing federal expenditure and enrollment in the program include work requirements for parents of children over age 6 and adults aged 55 to 65, lowering the tolerance for payment errors from \$57 to \$0, and prohibiting undocumented immigrants from receiving SNAP benefits.

## FEDERAL FUNDING RECISSIONS AND EXPIRATIONS

### Department of Health and Human Services Rescissions

In March 2025, 12 grant awards under programs within the Centers for Disease Control and Prevention (CDC), and the Substance Abuse and Mental Health Services Administration (SAMHSA) to the North Dakota Department of Health and Human Services were reported as terminated by Federal Funds Information for States:

Grants	Amount Obligated	Amount Expended	Unliquidated Obligations (Amount Terminated)
<b>CDC Grant Funding</b>			
2019 Epidemiology and Laboratory Capacity for Prevention and Control of Emerging Infectious Diseases (3 grant awards)	\$97,389,704	\$40,005,564	\$57,384,140
Immunization and Vaccines for Children (3 grant awards)	32,088,956	23,556,340	8,532,616
National Initiative to Address COVID-19 Health Disparities Among Populations at High-Risk and Underserved, Including Racial and Ethnic Minority Populations and Rural Communities (1 grant award)	31,278,243	27,671,914	3,606,329
<b>Total CDC Grant Funding</b>	<b>\$160,756,903</b>	<b>\$91,233,818</b>	<b>\$69,523,085</b>
<b>SAMHSA Grant Funding</b>			
Mental Health Block Grant - American Rescue Plan Act (ARPA) (2 grant awards)	\$2,603,813	\$580,037	\$2,023,776
Mental Health Block Grant - COVID-19 Relief (1 grant award)	1,435,102	1,325,019	110,083
Substance Use Block Grant - ARPA (2 grant awards)	5,413,864	1,223,487	4,190,377
<b>Total SAMHSA Grant Funding</b>	<b>\$9,452,779</b>	<b>\$3,128,543</b>	<b>\$6,324,236</b>
<b>Total Grant Funding</b>	<b>\$170,209,682</b>	<b>\$94,362,361</b>	<b>\$75,847,321</b>

 <p>Health &amp; Human Services</p>	<p><b>Home and Community Based Services (HCBS) Agency Development Grant General Overview</b></p>
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The North Dakota Department of Health and Human Services (DHHS) is offering **Agency Development Grants** to facilitate the growth and development of businesses that can deliver high quality home and community-based services to qualified individuals living in North Dakota, for the purpose of promoting a person's right to live in the least restrictive setting possible and their ability to live in the place they choose.

### **Eligibility to Apply**

DHHS is seeking proposals from:

- New organizations who intend to enroll to offer one or more of the approved Medicaid-reimbursable HCBS services; or
- Existing organizations who intend to expand into a new Medicaid-reimbursable HCBS service line; or
- Existing organizations who intend to expand an existing Medicaid-reimbursable HCBS service line to new geographies where HCBS-eligible households have a need for services.

Entities can apply for these funds by submitting the ND HCBS Agency Development Grant Application that outlines the services they intend to provide, the counties they intend to serve, and a project budget utilizing the Grant Application and Budget templates. The budget should outline how they will utilize the funds to create and operate or expand as an HCBS Agency.

### **Funding**

DHHS will award grants in amounts up to \$50,000 to assist agencies with their enrollment and/or successful operation as a Medicaid-reimbursable HCBS Agency in North Dakota.

Agencies are allowed to apply for multiple grants, based on their expansion plans. DHHS is offering four grant opportunities, to align with four unique HCBS funding sources:

- 1915(i) State Plan Amendment
- HCBS 1915(c) Waiver (QSP)
  - Medicaid State Plan -personal care (MSP-PC)
  - Service Payments to the Elderly and Disabled (SPED)
  - Expanded-Service Payments to the Elderly and Disabled (EX-SPED)
- ID/DD 1915(c) Waiver (DD)
- Autism Spectrum Disorder 1915(c) Waiver (ASD).



Each application will be evaluated separately and awarded based on the feasibility of their plan for providing the identified service(s) to people who receive their service and support from the identified funding source.

#### Summary

- Maximum funding per application is not to exceed \$50,000. Max funding per agency is \$200,000 (if approved for four separate grants).
- Grants are one-time only and will not be renewed.
- Funding will be dependent upon availability of dollars.
- Partial awards are possible depending on funding availability. If grantee is awarded a partial amount, the payment tiers will be adjusted based on the amount approved.

Examples of the ways these funds can be utilized by the Grantee:

- Training and professional development
- Staff recruitment or retention costs, including background checks
- Operating costs (for up to 3 months)
- Outreach and marketing activities
- Promotional materials related to the new or expanded services
- Technology costs to support the work of the new or expanding agency
- Furniture and equipment costs, or simple building renovations needed to establish a new HCBS agency or expand services in an existing agency
- Consulting services to help the agency assess and improve business operations (billing, staffing, operations)
- Other allowable items if approved by the State. Funds may not be used for Room and Board.

#### Payment Tiers

The maximum HCBS Agency Development Grant is \$50,000 and is distributed in five tiered payments, based on identified project milestones.

If awardee meets all milestones, the maximum total grant award is \$50,000. Specific milestones with dates will be defined in each awardee's contract prior to signing.

**Tier 1: \$25,000** – Initial payment available upon grant approval for expenses incurred during the term of the contract (if awarded less than \$50,000 for total grant amount, the total reimbursement for Tier 1 cannot exceed 50 percent of the total award)

#### Enrolled Agencies Serving Members:

*Upon award, agency can begin to claim reimbursement from the Tier 1 payment for expenses related to enrolling in additional services or expanding service(s) to underserved groups and/or communities. **Note: payment is for expenses already incurred; funds will not be distributed as an advance. Additional enrollment and/or licensure application(s) may be required and must be completed prior to payment.***

## 2026 Community Health Improvement Grants

### Program Overview, Eligibility Criteria, Applying and Key Dates

#### The Grants Program

Through the Community Health Improvement Grants program, CommonSpirit Health hospitals annually fund programs and services delivered by collaborating 501(c)3 non-profit organizations, to address one or more significant needs in the hospitals' community health needs assessments and implementation strategies. Community Health Improvement Grants help to improve community health and health equity, and enhance local service systems via restricted charitable contributions for defined projects.

#### Participating Hospitals

Fully-owned hospitals of [redacted] participate in this program. A complete list of participating hospitals will be posted on this site closer to the beginning of the application period. Some hospitals located close to one another may collaborate on a single grant process, and not each accept separate proposals. A complete list of participating hospitals will be posted on the [redacted] before the application period opens.

#### Grant Award Ranges

Grant awards have minimum and maximum amounts that vary by hospital, within the categories of small grants (up to \$19,500) and standard grants (from \$20,000 to as much as \$150,000).

Each hospital's specific grant funding range will be listed in a document on the [redacted] and the grant application portal, which will be accessible beginning July 14, 2025. Applications for standard grants require more detailed project information and collaborating partners.

#### Applicant Eligibility Criteria

- 1) Applicants must be IRS 501(c)3 non-profit organizations, or have a fiscal agent that is a 501(c)3 organization and capable of administering grant project funds. Applicants must provide an IRS Determination Letter documenting 501(c)3 status and be in good standing.
- 2) Applicants and partners must have a philosophy and services not inconsistent with the



## Proposal Eligibility Criteria

- 1) Proposals are for projects that address one or more significant health needs in the hospital's most recent community health needs assessment (CHNA) or implementation strategy, with sustained project activity over a period of between 9 and 12 months. Prospective applicants should review the CHNA report for the hospital to which they intend to apply. Links to these reports will be posted on the grant website before the application period opens.
- 2) The program is intended both to support the delivery of services and to strengthen collaborative service systems. Consistent with this aim, proposals for grant projects of \$20,000 or more must include collaborating partner organizations other than the granting hospital with distinct, complementary and substantive project roles. Collaborating partner organizations ("partners") can be non-profit, public or private organizations.

Grant Type	Proposal Amount	Proposal includes Applicant and...
Small grant	Up to \$19,500	Collaborating partners are encouraged
Standard grant	\$20,000 - \$150,000	Two or more collaborating partner organizations

Partners may receive a portion of the grant that is awarded to the applicant, for costs of their project activities. This is communicated in the proposal narrative and budget. Distribution of any awarded funds to partners is the responsibility of the applicant (recipient).

- 3) People and communities to be served are within the hospital's service area and include identified underserved or vulnerable populations, to help address health inequities.
- 4) People to be served can include members of the community at-large, patients of CommonSpirit Health entities or both. (If any patient Protected Health Information is to be shared in the course of proposed activities, appropriate patient consent procedures and/or Business Associate Agreements may be required of grant recipients to ensure compliance with the Health Insurance Portability and Accountability Act (HIPAA).)
- 5) Proposals convey how their proposed projects reflect one or more of the following principles: focus on disproportionate unmet health-related needs (advancing health equity); emphasize prevention, including activities that address social determinants of health; contribute to a seamless continuum of care; build community capacity; and demonstrate collaboration.

- 6) **Proposals are for one year periods only.** Applicants can apply in subsequent years for similar scopes of work or to conduct different projects, but projects will not be funded for more than four consecutive years.
- 7) Proposal budgets can include equipment purchases of up to \$5,000 and computer equipment up to \$2,500, with the total not to exceed 50% of funds requested.
- 8) Indirect costs of no greater than 10 percent of the total request are allowable. Indirect costs include items such as rent, utilities, telecommunications, insurance, clerical and managerial salaries and benefits.
- 9) Ineligible proposals include those for unrestricted general operating support, event sponsorships and activities less than 9 months in duration.
- 10) The grant program does not fund capital projects (e.g., buildings, renovations), lobbying or political campaigns.

## Applying

Applicant organizations complete proposals and submit all relevant attachments online, via CommonSpirit Health's grant portal, which will be accessible via the from July 14 - September 12, 2025. The application portal will contain documents listing all application questions and required documents, so that applicants can prepare in advance.

## Key Dates

July 14 - September 12, 2025	Grant application period is open. Applicant organizations can apply online.
(on or about) January 19, 2026	Applicants are notified of funding decisions.
February - March 2026	Grant agreements are signed, followed by grant award payments.
April 1, 2026	Grant period begins.
November 13, 2026	Mid-year project reports due.
March 31, 2027	Grant period ends.
May 16, 2027	Final project reports due.

## Questions and Technical Assistance

- Please direct questions about the program to [communitygrants@commonspirit.org](mailto:communitygrants@commonspirit.org).





# AHP 2025 Implementation Plan

## I. Background and Program Summary

The Affordable Housing Program (AHP) regulation (12 C.F.R. pt. 1291) requires the Federal Home Loan Bank Des Moines ("Bank") to implement policy governing the AHP competitive program and its homeownership Down Payment (DP) Products. This AHP Implementation Plan (IP) sets forth the requirements for participants in the AHP and is incorporated by reference into each AHP and DP Agreement (the "Agreement").

On November 20, 2024, the Affordable Housing Advisory Council (Advisory Council or AHAC) reviewed the 2025 IP. Approval of the 2025 IP was provided by the Housing and Community Investment Committee (HCIC) on November 21, 2024, and by the Board of Directors (Board) on December 11, 2024. The 2025 IP will take effect on January 1, 2025.

### A. Diversity and Inclusion

The Bank is committed to a culture of diversity and inclusion among the Bank's directors, employees, grant recipients and suppliers. Diversity encompasses many visible characteristics such as race, gender, age and less obvious characteristics like personality style, ability, education, ethnicity, religion, job function, life experience, lifestyle, sexual orientation, geography, regional differences, socioeconomic status, work experience and family situation. The Bank values differences, which enables it to more effectively fulfill its mission, realize its vision, live its values, and achieve its financial goals.

### B. Allocation of Funds Between the AHP Competitive Program and Down Payment Products

Upon recommendation from the Advisory Council and approval by the HCIC and Board, the Bank may amend the amount of funds allocated between the AHP Competitive Program and the Down Payment Products.

The amount of funds allocated to the Down Payment Products is listed in Section III.

## II. AHP Competitive Program

### A. Overview

- a) AHP Funding Round. In 2025, the Bank will offer one competitive AHP funding round. The funds will be provided to FHLB Des Moines members (hereinafter "members") in the form of a direct subsidy or as a subsidized advance for affordable housing projects



## AHP 2025 Implementation Plan

that meet program ranking, eligibility, and feasibility criteria as determined by the Bank in its sole discretion.

- b) Due Date. Competitive program applications, also known as AHP applications, will be submitted through an online application system beginning on Tuesday, April 1, 2025, and are due to the Bank no later than Thursday, May 1, 2025, at 4:30 p.m. Central Standard Time.
- c) Application Submission. A Sponsor will partner with a member to submit an AHP application (refer to the definition of "Sponsor" in Section IV: Definitions and Acronyms). The Bank will post important dates to the Bank's website.
- d) Alternates. The Board is responsible for approving the highest-ranking AHP applications, plus four alternates. AHP funds will be committed to eligible projects in descending order of rank until all available funds in the round are committed.

### B. AHP Limits per Project, per Unit and per Household

The Bank limits each AHP project to a maximum grant amount of \$3 million and a maximum AHP subsidy of \$150,000 per AHP-eligible unit.

Applicants may submit more than one AHP application per round, however, each applicant's grant request must be for different projects, as determined by the Bank in its sole discretion.

Applications from the same sponsor may be characterized as different projects if they are for different project types, have distinctly different features, or serve different geographies. Projects that are similar except for income targeting, special needs targeting, or AHP subsidy per unit may not represent different grant requests. A previously awarded project that has disbursed some or all of the grant is not eligible to reapply to increase the grant amount to fund units that previously received AHP funds.

In a Homeownership Project, a household may not: (1) receive more than one AHP subsidy award from the same competitive funding round; or (2) receive a competitive AHP subsidy award in conjunction with funds from the Bank's homeownership Down Payment Products. Generally, a household previously awarded AHP funds should not be provided an additional AHP subsidy award until and unless the retention period has expired on the previous award, or the previous award has been recaptured by the Bank.

### C. Minimum Eligibility Standards

Projects receiving AHP subsidy pursuant to the Bank's competitive program must, at a minimum, meet the eligibility requirements of this section.

#### 1. General Standards





## AHP 2025 Implementation Plan

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- a) AHP projects already approved in a previous round are not eligible for subsidy awarded under the current AHP funding round
- b) AHP applications will be accepted only from a member of the Bank as of the time the application is submitted
- c) Members must be in adequate financial condition in order to apply for or be awarded AHP. Federally insured depository members must have a credit capacity of 25% or greater of total assets. All other members must have a credit capacity of 20% or greater of total assets
- d) Members must meet Community Support requirements and not be on the Federal Housing Finance Agency's *Suspended Counterparty List* in order to apply for or be awarded AHP
- e) A project sponsor must be qualified and able to perform its responsibilities as committed to in the application for AHP subsidy funding the project
- f) AHP subsidy must be used exclusively for the purchase, construction, or rehabilitation of affordable homeownership or rental housing. Refer to the definitions of "Homeownership Project" and "Rental Housing" in Section IV. Inpatient drug and alcohol treatment centers, nursing homes, skilled nursing and medical care facilities are not eligible for funding
- g) Revolving loan funds and loan pools are not eligible for funding
- h) The AHP application must be complete so the Bank is: (1) able to determine that the proposed AHP project meets the eligibility requirements of this section; and (2) may evaluate the application pursuant to the Bank's project feasibility guidelines as adopted in this IP
- i) A project, or units in a project, may not be substantially completed, as determined by the Bank, before approval for AHP funds
- j) A project must disclose if an AHP request has been made to or approved by another Federal Home Loan Bank(s). The AHP amount from each Federal Home Loan Bank(s) must be listed on the project's Sources of Funds
- k) Rental projects must:
  - Ensure that at least 20% of the units in the project are occupied by and affordable to very low-income households, which are defined as households who are at or below 50% of the area median income (AMI), adjusted for family size
  - Have a physical site identified and must be able to demonstrate, to the satisfaction of the Bank, that the Sponsor-applicant has obtained an enforceable right to use, acquire, or lease the site for the proposed project
- l) Homeownership projects that include rehabilitation must have rehabilitation costs of \$5,000 or more per AHP unit, not including Developer's Fee or other soft costs. In all cases, cost should appear reasonable to accomplish the scope of rehabilitation described in the AHP application
- m) For a Homeownership project including a home purchase, to demonstrate a need for subsidy, a household may not acquire a property under the terms of a cash purchase, or where AHP or other subsidies eliminate the need for a homebuyer mortgage loan



## AHP 2025 Implementation Plan

AHP Projects must comply with all laws and regulations in the jurisdiction in which the project is located.

### 2. Time Limit for AHP Subsidy Use

Project progress toward completion and ongoing compliance with the terms of the AHP Subsidy Agreement will be monitored through Semi-annual Progress Reports.

#### a) Disbursement of Funds

Within 12 months of the date of application approval, the project must have received a disbursement of all or a portion of the AHP subsidy or must be using the AHP commitment to procure other financing.

If this time limit is not met, the AHP commitment may be canceled. The Bank, in its sole discretion, may extend the 12-month time limit for disbursement of AHP funds provided that reasonable progress is being made toward obtaining other funding or toward project completion.

#### b) Project Completion

Within 36 months of application approval, rental and homeownership projects are expected to be complete as defined by the "Project Completion Date," (refer to definition in Section IV).

If the respective time limit is not met, the AHP commitment may be canceled, in which case the member will return to the Bank any AHP funds previously disbursed to the project, if applicable.

The Bank, in its sole discretion, may extend the time limit for project completion. Any extension granted will be limited to the time period necessary to resolve the specific circumstance that caused the project delay. The following are examples of the types of factors the Bank will consider when evaluating such an extension:

- Percentage of the project completed to date
- Timing of other funding application due dates and requirements of other funding sources
- Weather-related construction delays
- Natural disasters or local conditions that cause delay
- Legal requirements or community challenges

### 3. Prohibited uses of AHP Subsidy

AHP subsidies may not be used to pay for any of the following:





## AHP 2025 Implementation Plan

- Prepayment fees imposed by the Bank on a member for a subsidized advance that is prepaid, unless:
  - The project is in financial distress, which cannot be remedied through a project modification pursuant to the AHP regulations;
  - The prepayment of the subsidized advance is necessary to retain the project's affordability and Income Targeting commitments;
  - Subsequent to such prepayment, the project will continue to comply with the terms of the approved AHP application and the AHP regulatory requirements for the duration of the original retention period;
  - Any unused AHP subsidy is returned to the Bank and made available for other AHP projects or households; and
  - The amount of AHP subsidy used for the prepayment fee may not exceed the amount of the member's prepayment fee to the Bank.
- Cancellation fees and penalties imposed by the Bank on a member for a subsidized advance commitment that is canceled.
- Processing fees charged by members for providing AHP direct subsidies to a project.
- Capitalized reserves, periodic deposits to reserve accounts, operating expenses, or supportive services expenses.

### 4. Counseling Costs/Homebuyer or Homeowner Education/ Financial Literacy Programs

AHP subsidies may be used to pay for counseling costs only where:

- Such costs are incurred in connection with counseling of homebuyers who actually purchase an AHP-assisted unit; and
- The cost of the counseling has not been covered by another funding source, including the member.

Refer to the definition of "Financial Literacy Program" and "Homebuyer or Homeowner Education or Counseling" in Section IV.

Applications that include only the payment of counseling costs, and no or few other costs in connection with the home purchase, will not be eligible for AHP award.

### 5. Refinancing

A project may use AHP subsidies to refinance an existing single-family or multi-family mortgage loan, provided that the refinancing produces equity proceeds and such equity proceeds up to the amount of the AHP subsidy in the project shall be used only for the purchase, construction, or rehabilitation of housing units meeting the eligibility

## NORTH DAKOTA

*This summary of state regulations and policy represents only a snapshot at a point in time, is not comprehensive, and should not be taken to constitute legal advice or guidance. State Medicaid requirements are included at the end of this summary.*

### Types of Facilities

**Mental Health (MH):** North Dakota does not regulate MH residential treatment facilities.

**Substance Use Disorder (SUD):** North Dakota regulates Clinically Managed Residential Services, in accordance with ASAM levels of low (3.1) and high-intensity (3.5). Each level corresponds to extent of clinical services delivered per day or week and varies by specification of treatment requirements. North Dakota also regulates alcohol and drug detoxification services in a residential setting as Social Detoxification ASAM Level 3.2-D. No other regulated SUD residential treatment facility types were identified.

**Unregulated Facilities:** If there are MH residential treatment facilities in North Dakota, they are unregulated.

### Approach

**Substance Use Disorder (SUD):** The North Dakota Department of Human Services (DHS) regulates all SUD residential treatment facilities regardless of funding source.

### Processes of Licensure or Certification and Accreditation

**Substance Use Disorder (SUD):** Facilities require licensure by the DHS for operation.

- Accreditation is not required but proof of accreditation by a nationally recognized body that reviews and certifies providers of drug and alcohol services means that a license will be issued.
- A facility may be provisionally licensed for as long as one year or have a restricted license for no more than 90 days. Unrestricted licensure duration is no longer than 2 years.
- Onsite review is required to obtain an unrestricted license and at least biennially to determine continued compliance with the regulatory standards.



- A Certificate of Need is not required for operation of SUD residential facilities.

## **Cause-Based Monitoring**

*Substance Use Disorder (SUD):* The DHS performs onsite reviews at licensure renewals and may conduct scheduled or unscheduled visits at other times. A plan of corrective action may be required, and licensure may be suspended or revoked.

## **Access Requirements**

*Substance Use Disorder (SUD):* Wait-time requirements were not found but all SUD facilities must conform to applicable legal requirements of all governmental and legally authorized agencies under whose authority it operates, to include accessibility, affirmative action, and equal employment opportunity.

## **Staffing**

*Substance Use Disorder (SUD):* Substance use treatment programs must employ sufficient and qualified staff members to meet the needs of the clients, have a policy regarding verification of staff qualification, maintain documentation regarding volunteers or consultants, maintain personnel files, and have a written employment policy related to nondiscrimination. All residential treatment facilities must provide staff twenty-four hours per day. High-intensity residential treatment facilities must include onsite, twenty-four hour per day clinical staffing by licensed counselors, other clinicians, and other allied health professionals such as counselor aides. Social detoxification facilities must provide: (a) a trained staff member familiar with complications associated with alcohol and other drug use and with community resources awake on all shifts; (b) awake staff twenty-four hours per day to monitor clients' conditions; and (c) staff trained in admission, monitoring skills, including signs and symptoms of alcohol and other drug intoxication and withdrawal as well as appropriate treatment of those conditions, supportive care, basic cardiopulmonary resuscitation technique, assessment, and referral procedures.

## **Placement**

*Substance Use Disorder (SUD):* Each residential SUD facility must implement written criteria for client admission for each of the program's levels of care based on the DSM and the ASAM patient placement criteria and policies for client admission. A program may not admit a client that does not meet those criteria. Placement criteria for low- and high-intensity residential treatment correspond to ASAM levels 3.1 and 3.5 placement criteria. For social detoxification,



# Community Connect FAQs

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To help understand **Community Connect**, we have compiled a comprehensive list of frequently asked questions (FAQs) and answers.

## General

### How are providers **reimbursed**?

Community providers will be paid a base rate according to the level of care that is defined by participant needs. There are three levels of care, each level has guidelines for Care Coordinators to follow. The purpose of levels is to provide person-centered services that offer support by adjusting the level of services according to goals and needs. This allows participants to maintain long-term connections with providers of their choice.

All levels of care must include care coordination and recovery services, to include peer support for program participants. Each participant enters the program at a Level 3, which could have a reimbursement rate of \$400 per individual, monthly, for providing that level of care. Persons receiving care at level 2 could be reimbursed at a rate of \$200 per individual, monthly. Those who are at level 1 care could be reimbursed at a rate of \$100, per individual, monthly. In addition to this individual rate, \$80 will be issued in the form of performance-based rate enhancement, for all levels of care per individual, monthly. This rate enhancement will be issued when an individual meets three of the four defined outcome measures.



**How many participants can a full-time care coordinator serve?**

A full-time care coordinator can serve roughly **20-25 participants**; however, this may vary depending on the level of service of the participants assigned to that individual.

Referrals

Discharge and Terminations