

**SENATE**  
**STATE OF MINNESOTA**  
**EIGHTY-EIGHTH LEGISLATURE**

**S.F. No. 1174**

(SENATE AUTHORS: DAHMS, Miller, Weber, Koenen and Rosen)

DATE	D-PG	OFFICIAL STATUS
03/07/2013	687	Introduction and first reading Referred to Health, Human Services and Housing

1.1 A bill for an act  
 1.2 relating to human services; requiring a pay increase for employees of  
 1.3 community-based services facilities serving individuals with developmental  
 1.4 disabilities.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. **PROVIDER RATE INCREASE.**

1.7 (a) By January 15, 2014, the commissioner of human services shall make a wage  
 1.8 adjustment for direct-care staff employed at community-based services facilities serving  
 1.9 persons with developmental disabilities and all other community-based residential and  
 1.10 hourly services to individuals with developmental disabilities equal to five percent. The  
 1.11 commissioner shall make an adjustment to the intermediate care facilities payment rate  
 1.12 and to all other community-based residential and hourly services to individuals with  
 1.13 developmental disabilities by five percent to reflect this increased compensation for  
 1.14 direct-care staff. The increase in compensation for employees under this section must go  
 1.15 to increase the compensation of direct-care employees and not to the administrator, central  
 1.16 office staff, or person paid by the provider under a management contract.

1.17 (b) Providers that receive a rate increase under paragraph (a) shall provide  
 1.18 documentation to the commissioner and those counties with whom they have a contract  
 1.19 that specifies the provider has developed and implemented a compensation increase for  
 1.20 employees within six months of receiving the payment rate increase in paragraph (a)  
 1.21 that is binding for existing and future staff.

1.22 (c) A facility's payment reimbursement rate under this section is subject to audit by the  
 1.23 commissioner and may be reduced or eliminated if the provider does not comply with the  
 1.24 provider's commitment to increase spending to improve wages for direct-care employees.