

CHAPTER 19—H.F.No. 145

An act relating to occupations and professions; modifying board of medical practice requirements for licensure by reciprocity; amending Minnesota Statutes 1992, section 147.03, subdivision 2.

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

Section 1. Minnesota Statutes 1992, section 147.03, subdivision 2, is amended to read:

Subd. 2. **TEMPORARY PERMIT.** (a) The board may issue a temporary permit to practice medicine to a physician eligible for licensure under this section upon payment of a fee set by the board. The permit remains valid only until the next meeting of the board.

(b) The board may issue a temporary permit to practice medicine to an applicant who has not satisfied the conditions of subdivision 1, paragraph (c), clause (2), item (i) or (ii), but has satisfied all other requirements for licensure under this section. The permit remains valid for up to six months.

Sec. 2. **EFFECTIVE DATE.**

Section 1 is effective the day following final enactment.

Presented to the governor April 7, 1993

Signed by the governor April 7, 1993, 3:24 p.m.

CHAPTER 20—S.F.No. 282

An act relating to medical assistance; modifying hospital reimbursement rates; amending Minnesota Statutes 1992, section 256.969, subdivisions 9, 20, and by adding subdivisions.

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

Section 1. Minnesota Statutes 1992, section 256.969, subdivision 9, is amended to read:

Subd. 9. **DISPROPORTIONATE NUMBERS OF LOW-INCOME PATIENTS SERVED.** For admissions occurring on or after October 1, 1992, through December 31, 1992, the medical assistance disproportionate population adjustment shall comply with federal law and shall be paid to a hospital, excluding regional treatment centers and facilities of the federal Indian Health Service, with a medical assistance inpatient utilization rate in excess of the arithmetic mean. The adjustment must be determined as follows:

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(1) for a hospital with a medical assistance inpatient utilization rate above the arithmetic mean for all hospitals excluding regional treatment centers and facilities of the federal Indian Health Service but less than or equal to one standard deviation above the mean, the adjustment must be determined by multiplying the total of the operating and property payment rates by the difference between the hospital's actual medical assistance inpatient utilization rate and the arithmetic mean for all hospitals excluding regional treatment centers and facilities of the federal Indian Health Service; and

(2) for a hospital with a medical assistance inpatient utilization rate above one standard deviation above the mean, the adjustment must be determined by multiplying the adjustment that would be determined under clause (1) for that hospital by 1.1. If federal matching funds are not available for all adjustments under this subdivision, the commissioner shall reduce payments on a pro rata basis so that all adjustments qualify for federal match. The commissioner may establish a separate disproportionate population operating payment rate adjustment under the general assistance medical care program. For purposes of this subdivision medical assistance does not include general assistance medical care. The commissioner shall report annually on the number of hospitals likely to receive the adjustment authorized by this section. The commissioner shall specifically report on the adjustments received by public hospitals and public hospital corporations located in cities of the first class.

Sec. 2. Minnesota Statutes 1992, section 256.969, is amended by adding a subdivision to read:

Subd. 9a. DISPROPORTIONATE POPULATION ADJUSTMENTS AFTER JANUARY 1, 1993. (a) For admissions occurring between January 1, 1993, and June 30, 1993, the adjustment under this subdivision shall be paid to a hospital, excluding regional treatment centers and facilities of the federal Indian Health Service, with a medical assistance inpatient utilization rate in excess of one standard deviation above the arithmetic mean. The adjustment must be determined by multiplying the total of the operating and property payment rates by the difference between the hospital's actual medical assistance inpatient utilization rate and the arithmetic mean for all hospitals excluding regional treatment centers and facilities of the federal Indian Health Service, and the result must be multiplied by 1.1.

(b) For admissions occurring on or after July 1, 1993, the medical assistance disproportionate population adjustment shall comply with federal law and shall be paid to a hospital, excluding regional treatment centers and facilities of the federal Indian Health Service, with a medical assistance inpatient utilization rate in excess of one standard deviation above the arithmetic mean. The adjustment must be determined by multiplying the operating payment rate by the difference between the hospital's actual medical assistance inpatient utilization rate and one standard deviation above the arithmetic mean for all hospitals excluding regional treatment centers and facilities of the federal Indian Health Service.

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(c) If federal matching funds are not available for all adjustments under this subdivision, the commissioner shall reduce payments on a pro rata basis so that all adjustments qualify for federal match. The commissioner may establish a separate disproportionate population operating payment rate adjustment under the general assistance medical care program. For purposes of this subdivision, medical assistance does not include general assistance medical care. The commissioner shall report annually on the number of hospitals likely to receive the adjustment authorized by this section. The commissioner shall specifically report on the adjustments received by public hospitals and public hospital corporations located in cities of the first class.

Sec. 3. Minnesota Statutes 1992, section 256.969, is amended by adding a subdivision to read:

Subd. 9b. IMPLEMENTATION OF RATABLE REDUCTIONS. Notwithstanding the provisions in subdivision 9, any ratable reductions required under that subdivision or subdivision 9a for fiscal year 1993 shall be implemented as follows:

(1) no ratable reductions shall be applied to admissions occurring between October 1, 1992, and December 31, 1992; and

(2) sufficient ratable reductions shall be taken from hospitals receiving a payment under subdivision 9a for admissions occurring between January 1, 1993, and June 30, 1993, to ensure that all state payments under subdivisions 9 and 9a during federal fiscal year 1993 qualify for federal match.

Sec. 4. Minnesota Statutes 1992, section 256.969, subdivision 20, is amended to read:

Subd. 20. INCREASES IN MEDICAL ASSISTANCE INPATIENT PAYMENTS; CONDITIONS. (a) Medical assistance inpatient payments shall increase 20 percent for inpatient hospital originally paid admissions, excluding Medicare crossovers, that occurred between July 1, 1988, and December 31, 1990, if: (i) the hospital had 100 or fewer Minnesota medical assistance annualized paid admissions, excluding Medicare crossovers, that were paid by March 1, 1988, for the period January 1, 1987, to June 30, 1987; (ii) the hospital had 100 or fewer licensed beds on March 1, 1988; (iii) the hospital is located in Minnesota; and (iv) the hospital is not located in a city of the first class as defined in section 410.01. For purposes of this paragraph, medical assistance does not include general assistance medical care.

(b) Medical assistance inpatient payments shall increase 15 percent for inpatient hospital originally paid admissions, excluding Medicare crossovers, that occurred between July 1, 1988, and December 31, 1990, if: (i) the hospital had more than 100 but fewer than 250 Minnesota medical assistance annualized paid admissions, excluding Medicare crossovers, that were paid by March 1, 1988, for the period January 1, 1987, to June 30, 1987; (ii) the hospital had 100 or fewer licensed beds on March 1, 1988; (iii) the hospital is located in Minne-

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sota; and (iv) the hospital is not located in a city of the first class as defined in section 410.01. For purposes of this paragraph, medical assistance does not include general assistance medical care.

(c) Medical assistance inpatient payment rates shall increase 20 percent for inpatient hospital originally paid admissions, excluding Medicare crossovers, that occur on or after October 1, 1992, if: (i) the hospital had 100 or fewer Minnesota medical assistance annualized paid admissions, excluding Medicare crossovers, that were paid by March 1, 1988, for the period January 1, 1987, to June 30, 1987; (ii) the hospital had 100 or fewer licensed beds on March 1, 1988; (iii) the hospital is located in Minnesota; and (iv) the hospital is not located in a city of the first class as defined in section 410.01. For a hospital that qualifies for an adjustment under this paragraph and under subdivision 9, 9a, or 22, the hospital must be paid the adjustment under ~~subdivision~~ subdivisions 9, 9a, and 22, as applicable, plus any amount by which the adjustment under this paragraph exceeds the adjustment under ~~subdivision 9~~ those subdivisions. For this paragraph, medical assistance does not include general assistance medical care.

(d) Medical assistance inpatient payment rates shall increase 15 percent for inpatient hospital originally paid admissions, excluding Medicare crossovers, that occur after September 30, 1992, if: (i) the hospital had more than 100 but fewer than 250 Minnesota medical assistance annualized paid admissions, excluding Medicare crossovers, that were paid by March 1, 1988, for the period January 1, 1987, to June 30, 1987; (ii) the hospital had 100 or fewer licensed beds on March 1, 1988; (iii) the hospital is located in Minnesota; and (iv) the hospital is not located in a city of the first class as defined in section 410.01. For a hospital that qualifies for an adjustment under this paragraph and under subdivision 9, 9a, or 22, the hospital must be paid the adjustment under ~~subdivision~~ subdivisions 9, 9a, and 22, as applicable, plus any amount by which the adjustment under this paragraph exceeds the adjustment under ~~subdivision 9~~ those subdivisions. For purposes of this paragraph, medical assistance does not include general assistance medical care.

Sec. 5. Minnesota Statutes 1992, section 256.969, is amended by adding a subdivision to read:

Subd. 22. HOSPITAL PAYMENT ADJUSTMENT. For admissions occurring from January 1, 1993, until June 30, 1993, the commissioner shall adjust the medical assistance payment paid to a hospital, excluding regional treatment centers and facilities of the federal Indian Health Service, with a medical assistance inpatient utilization rate in excess of the arithmetic mean. The adjustment must be determined as follows:

(1) for a hospital with a medical assistance inpatient utilization rate above the arithmetic mean for all hospitals excluding regional treatment centers and facilities of the federal Indian Health Service, the adjustment must be determined by multiplying the total of the operating and property payment rates by

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the difference between the hospital's actual medical assistance inpatient utilization rate and the arithmetic mean for all hospitals excluding regional treatment centers and facilities of the federal Indian Health Service; and

(2) for a hospital with a medical assistance inpatient utilization rate above one standard deviation above the mean, the adjustment must be determined by multiplying the adjustment under clause (1) for that hospital by 1.1. Any payment under this clause must be reduced by the amount of any payment received under subdivision 9a. For purposes of this subdivision, medical assistance does not include general assistance medical care.

Sec. 6. HEALTH MAINTENANCE ORGANIZATION REIMBURSEMENT.

Effective January 1, 1993, the commissioner of human services shall adjust rates paid to a health maintenance organization under contract with the commissioner to reflect rate increases provided in section 5. The adjustment must be made on a nondiscounted hospital-specific basis.

Sec. 7. EFFECTIVE DATE.

Sections 1 to 6 are effective retroactive to January 1, 1993.

Presented to the governor March 30, 1993

Signed by the governor March 31, 1993, 3:36 p.m.

CHAPTER 21—H.F.No. 203

An act relating to occupations and professions; board of medical practice; modifying requirements for licensing United States, Canadian, and foreign medical school graduates; providing for temporary permits; providing for residency permits; adding a requirement for students exempt from penalties for practicing without a license; adding to licensed professionals subject to reporting obligations; indemnifying board members, consultants, and persons employed by the board; adding registration requirements for physical therapists from other states and foreign-trained physical therapists; amending Minnesota Statutes 1992, sections 62A.46, subdivision 7; 147.02, subdivision 1, and by adding a subdivision; 147.03; 147.037, subdivision 1, and by adding a subdivision; 147.09; 147.111, subdivision 4; 147.121, subdivision 2; and 148.71, subdivision 2, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 147.

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

Section 1. Minnesota Statutes 1992, section 62A.46, subdivision 7, is amended to read:

Subd. 7. **PHYSICIAN.** "Physician" means a medical practitioner licensed

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