

This Document can be made available
in alternative formats upon request

State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. **2232**

02/25/2014 Authored by Lien and McNamar

The bill was read for the first time and referred to the Committee on Health and Human Services Finance

1.1 A bill for an act
1.2 relating to human services; modifying certain nursing facility operating payment
1.3 rates; amending Minnesota Statutes 2012, section 256B.431, by adding a
1.4 subdivision.

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

1.6 Section 1. Minnesota Statutes 2012, section 256B.431, is amended by adding a
1.7 subdivision to read:

1.8 Subd. 46. **Rate increase for nonprofit facilities in border cities.** Effective October
1.9 1, 2014, and annually thereafter, operating payment rates of a nonprofit nursing facility
1.10 that exists on January 1, 2014, is located anywhere within the boundaries of the cities of
1.11 Moorhead or Breckenridge, and is reimbursed under this section or section 256B.434 or
1.12 256B.441 shall be adjusted to be equal, for a RUG's operating payment rate with a weight
1.13 of 1.00, to the median RUG's rate, including comparable rate components as determined
1.14 by the commissioner, for the equivalent RUG's weight of the nonprofit nursing facility or
1.15 facilities located in an adjacent city and cities contiguous to the adjacent city in another
1.16 state. The percentage of the operating payment rate for each facility to be case-mix adjusted
1.17 shall be equal to the percentage that is case-mix adjusted in that facility's June 30, 2014,
1.18 operating payment rate. This subdivision shall apply only if it results in a rate increase.
1.19 Each October 1, the annual adjustment under this subdivision shall not exceed ten percent
1.20 of the facility's operating payment rate in effect on September 30 of that year. A portion,
1.21 as determined by the commissioner, of any new rate increase as a result of the annual rate
1.22 adjustment under this subdivision shall be used for wages and benefits as specified for
1.23 concurrent or the most recent rate increases for other Minnesota nursing facilities. If, in
1.24 a given year, rate equality is achieved under this subdivision, a nursing facility eligible

- 2.1 under this subdivision shall not be eligible for an operating payment rate adjustment
- 2.2 provided under this section, section 256B.434 or 256B.441, or any other section of law.