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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 614

02/05/2015 Authored by Baker, Lillie, Zerwas, Hamilton, Miller and others

The bill was read for the first time and referred to the Committee on Aging and Long-Term Care Policy

02/16/2015 Adoption of Report: Amended and re-referred to the Committee on Greater Minnesota Economic and Workforce Development Policy

1.1 A bill for an act
1.2 relating to long-term care; providing for long-term care workforce needs;
1.3 appropriating money; amending Minnesota Statutes 2014, sections 144.1501,
1.4 subdivisions 1, 2, 3; 256B.431, subdivision 36; 256B.441, subdivisions 13, 53.

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

1.6 Section 1. Minnesota Statutes 2014, section 144.1501, subdivision 1, is amended to read:

1.7 Subdivision 1. **Definitions.** (a) For purposes of this section, the following definitions
1.8 apply.

1.9 (b) "Dental therapist" means an individual who is licensed as a dental therapist
1.10 under section 150A.06.

1.11 ~~(b)~~ (c) "Dentist" means an individual who is licensed to practice dentistry.

1.12 ~~(e)~~ (d) "Designated rural area" means a city or township that is:

1.13 (1) outside the seven-county metropolitan area as defined in section 473.121,
1.14 subdivision 2; and

1.15 (2) has a population under 15,000.

1.16 ~~(d)~~ (e) "Emergency circumstances" means those conditions that make it impossible
1.17 for the participant to fulfill the service commitment, including death, total and permanent
1.18 disability, or temporary disability lasting more than two years.

1.19 ~~(e)~~ (f) "Medical resident" means an individual participating in a medical residency in
1.20 family practice, internal medicine, obstetrics and gynecology, pediatrics, or psychiatry.

1.21 ~~(f)~~ (g) "Midlevel practitioner" means a nurse practitioner, nurse-midwife, nurse
1.22 anesthetist, advanced clinical nurse specialist, or physician assistant.

2.1 ~~(g)~~ (h) "Nurse" means an individual who has completed training and received
2.2 all licensing or certification necessary to perform duties as a licensed practical nurse
2.3 or registered nurse.

2.4 ~~(h)~~ (i) "Nurse-midwife" means a registered nurse who has graduated from a program
2.5 of study designed to prepare registered nurses for advanced practice as nurse-midwives.

2.6 ~~(i)~~ (j) "Nurse practitioner" means a registered nurse who has graduated from a
2.7 program of study designed to prepare registered nurses for advanced practice as nurse
2.8 practitioners.

2.9 ~~(j)~~ (k) "Pharmacist" means an individual with a valid license issued under chapter 151.

2.10 ~~(k)~~ (l) "Physician" means an individual who is licensed to practice medicine in
2.11 the areas of family practice, internal medicine, obstetrics and gynecology, pediatrics,
2.12 or psychiatry.

2.13 ~~(l)~~ (m) "Physician assistant" means a person licensed under chapter 147A.

2.14 ~~(m)~~ (n) "Qualified educational loan" means a government, commercial, or foundation
2.15 loan for actual costs paid for tuition, reasonable education expenses, and reasonable living
2.16 expenses related to the graduate or undergraduate education of a health care professional.

2.17 ~~(n)~~ (o) "Underserved urban community" means a Minnesota urban area or population
2.18 included in the list of designated primary medical care health professional shortage areas
2.19 (HPSAs), medically underserved areas (MUAs), or medically underserved populations
2.20 (MUPs) maintained and updated by the United States Department of Health and Human
2.21 Services.

2.22 Sec. 2. Minnesota Statutes 2014, section 144.1501, subdivision 2, is amended to read:

2.23 Subd. 2. **Creation of account.** (a) A health professional education loan forgiveness
2.24 program account is established. The commissioner of health shall use money from the
2.25 account to establish a loan forgiveness program:

2.26 (1) for medical residents agreeing to practice in designated rural areas or underserved
2.27 urban communities or specializing in the area of pediatric psychiatry;

2.28 (2) for midlevel practitioners agreeing to practice in designated rural areas or to
2.29 teach at least 12 credit hours, or 720 hours per year in the nursing field in a postsecondary
2.30 program at the undergraduate level or the equivalent at the graduate level;

2.31 (3) for nurses who agree to practice in a Minnesota nursing home or intermediate
2.32 care facility for persons with developmental disability or to teach at least 12 credit hours,
2.33 or 720 hours per year in the nursing field in a postsecondary program at the undergraduate
2.34 level or the equivalent at the graduate level;

(4) for other health care technicians agreeing to teach at least 12 credit hours, or 720 hours per year in their designated field in a postsecondary program at the undergraduate level or the equivalent at the graduate level. The commissioner, in consultation with the Healthcare Education-Industry Partnership, shall determine the health care fields where the need is the greatest, including, but not limited to, respiratory therapy, clinical laboratory technology, radiologic technology, and surgical technology;

(5) for pharmacists who agree to practice in designated rural areas; ~~and~~

(6) for dentists agreeing to deliver at least 25 percent of the dentist's yearly patient encounters to state public program enrollees or patients receiving sliding fee schedule discounts through a formal sliding fee schedule meeting the standards established by the United States Department of Health and Human Services under Code of Federal Regulations, title 42, section 51, chapter 303-; and

(7) for dental therapists agreeing to practice in a Minnesota nursing home or intermediate care facility for persons with a developmental disability.

(b) Appropriations made to the account do not cancel and are available until expended, except that at the end of each biennium, any remaining balance in the account that is not committed by contract and not needed to fulfill existing commitments shall cancel to the fund.

Sec. 3. Minnesota Statutes 2014, section 144.1501, subdivision 3, is amended to read:

Subd. 3. **Eligibility.** (a) To be eligible to participate in the loan forgiveness program, an individual must:

(1) be a medical or dental resident, a licensed pharmacist or be enrolled in a dentist, midlevel practitioner, registered nurse, or a licensed practical nurse training program; and

(2) submit an application to the commissioner of health. If fewer applications are submitted by dental students or residents than there are dentist participant slots available, the commissioner may consider applications submitted by dental program graduates who are licensed dentists. The commissioner may consider applications submitted by nursing program graduates who are registered nurses or licensed practical nurses.

(b) An applicant selected to participate must sign a contract to agree to serve a minimum three-year full-time service obligation according to subdivision 2, which shall begin no later than March 31 following completion of required training, with the exception of a nurse, who must agree to serve a minimum two-year full-time service obligation according to subdivision 2, which shall begin no later than March 31 following completion of required training.

Sec. 4. Minnesota Statutes 2014, section 256B.431, subdivision 36, is amended to read:

Subd. 36. **Employee scholarship costs and training in English as a second language.** (a) For the period between July 1, 2001, and June 30, 2003, and for the period between July 1, 2015, and June 30, 2017, the commissioner shall provide to each nursing facility reimbursed under this section, section 256B.434, or any other section, a scholarship per diem of 25 cents to the total operating payment rate to be used:

(1) for employee scholarships that satisfy the following requirements:

(i) scholarships are available to all employees who work an average of at least 20 ~~ten~~ hours per week at the facility except the administrator, ~~department supervisors, and registered nurses~~ and to reimburse student loan expenses for newly hired and recently graduated registered nurses and licensed practical nurses, and training expenses for newly hired and recently graduated nursing assistants as defined in section 144A.61, subdivision 2; and

(ii) the course of study is expected to lead to career advancement with the facility or in long-term care, including medical care interpreter services and social work; and

(2) to provide job-related training in English as a second language.

(b) A facility receiving a rate adjustment under this subdivision may submit to the commissioner on a schedule determined by the commissioner and on a form supplied by the commissioner a calculation of the scholarship per diem, including: the amount received from this rate adjustment; the amount used for training in English as a second language; the number of persons receiving the training; the name of the person or entity providing the training; and for each scholarship recipient, the name of the recipient, the amount awarded, the educational institution attended, the nature of the educational program, the program completion date, and a determination of the per diem amount of these costs based on actual resident days.

(c) On July 1, 2003, the commissioner shall remove the 25 cent scholarship per diem from the total operating payment rate of each facility.

(d) For rate years beginning after June 30, 2003, the commissioner shall provide to each facility the scholarship per diem determined in paragraph (b). In calculating the per diem under paragraph (b), the commissioner shall allow only costs related to tuition and direct educational expenses and may include child care costs and transportation expenses related to direct education expenses.

(e) The \$..... rate increase effective July 1, 2015, is an optional rate add-on that the facility must request from the commissioner in a manner prescribed by the commissioner. The rate increase must be used for scholarships as specified in this subdivision.

5.1 Sec. 5. Minnesota Statutes 2014, section 256B.441, subdivision 13, is amended to read:

5.2 Subd. 13. **External fixed costs.** "External fixed costs" means costs related to the
5.3 nursing home surcharge under section 256.9657, subdivision 1; licensure fees under
5.4 section 144.122; until September 30, 2013, long-term care consultation fees under section
5.5 256B.0911, subdivision 6; family advisory council fee under section 144A.33; scholarships
5.6 under section 256B.431, subdivision 36; nursing assistant training under section 144A.611;
5.7 planned closure rate adjustments under section 256B.437; or single bed room incentives
5.8 under section 256B.431, subdivision 42; property taxes and property insurance; and PERA.

5.9 Sec. 6. Minnesota Statutes 2014, section 256B.441, subdivision 53, is amended to read:

5.10 Subd. 53. **Calculation of payment rate for external fixed costs.** The commissioner
5.11 shall calculate a payment rate for external fixed costs.

5.12 (a) For a facility licensed as a nursing home, the portion related to section 256.9657
5.13 shall be equal to \$8.86. For a facility licensed as both a nursing home and a boarding care
5.14 home, the portion related to section 256.9657 shall be equal to \$8.86 multiplied by the
5.15 result of its number of nursing home beds divided by its total number of licensed beds.

5.16 (b) The portion related to the licensure fee under section 144.122, paragraph (d),
5.17 shall be the amount of the fee divided by actual resident days.

5.18 (c) The portion related to scholarships shall be determined under section 256B.431,
5.19 subdivision 36.

5.20 (d) Until September 30, 2013, the portion related to long-term care consultation shall
5.21 be determined according to section 256B.0911, subdivision 6.

5.22 (e) The portion related to development and education of resident and family advisory
5.23 councils under section 144A.33 shall be \$5 divided by 365.

5.24 (f) The portion related to planned closure rate adjustments shall be as determined
5.25 under section 256B.437, subdivision 6, and Minnesota Statutes 2010, section 256B.436.
5.26 Planned closure rate adjustments that take effect before October 1, 2014, shall no longer
5.27 be included in the payment rate for external fixed costs beginning October 1, 2016.
5.28 Planned closure rate adjustments that take effect on or after October 1, 2014, shall no
5.29 longer be included in the payment rate for external fixed costs beginning on October 1 of
5.30 the first year not less than two years after their effective date.

5.31 (g) The portions related to property insurance, real estate taxes, special assessments,
5.32 and payments made in lieu of real estate taxes directly identified or allocated to the nursing
5.33 facility shall be the actual amounts divided by actual resident days.

5.34 (h) The portion related to the Public Employees Retirement Association shall be
5.35 actual costs divided by resident days.

(i) The single bed room incentives shall be as determined under section 256B.431, subdivision 42. Single bed room incentives that take effect before October 1, 2014, shall no longer be included in the payment rate for external fixed costs beginning October 1, 2016. Single bed room incentives that take effect on or after October 1, 2014, shall no longer be included in the payment rate for external fixed costs beginning on October 1 of the first year not less than two years after their effective date.

(j) The portion related to the nursing assistant training costs under section 144A.611 shall be actual costs divided by resident days.

(k) The payment rate for external fixed costs shall be the sum of the amounts in paragraphs (a) to ~~(i)~~ (j).

Sec. 7. **APPROPRIATION; LONG-TERM CARE GRANT PROGRAM.**

(a) \$..... in fiscal year 2016 is appropriated from the general fund to the commissioner of employment and economic development for a grant program to further the advancement of long-term care careers. Long-term care employers, Minnesota postsecondary education institutions, and adult training programs may apply to receive grants for the following purposes:

- (1) to provide funding for employees to further education opportunities;
- (2) conferences;
- (3) to highlight long-term care week;
- (4) to provide hiring incentives to attract employees to the long-term care field;
- (5) to provide leadership training for staff;
- (6) to fund innovative adult training programs that train low-income and underemployed individuals;
- (7) to provide mentorship models;
- (8) to fund simulation centers at local community colleges to train employees for long-term care careers;
- (9) to support health care education programming; and
- (10) to provide innovative models for employers to implement policies and programs to attract and retain employees in the long-term care field.

(b) Eligible organizations must apply to the commissioner of employment and economic development for a grant on the forms and according to the timelines established by the commissioner. The commissioner shall give preference to long-term care providers, including nursing facilities, licensed under Minnesota Statutes, chapter 144A, and providers registered as housing with services establishments under Minnesota Statutes, chapter 144D.

7.1 (c) The commissioner shall publish the grant notice twice per year and make grants
7.2 on October 1 and March 1 of each year the long-term care grant program is funded.

7.3 Sec. 8. **APPROPRIATION; LONG-TERM CARE STUDY.**

7.4 \$..... in fiscal year 2016 is appropriated from the general fund to the commissioner
7.5 of employment and economic development to study ways in which tax credits or
7.6 hiring incentives can benefit long-term care employers to recruit, retain, and provide
7.7 career ladders to employees in the long-term care field. The commissioner must
7.8 report recommendations to the chairs and ranking minority members of the legislative
7.9 committees with jurisdiction over employment and economic development, health, and
7.10 human services policy and finance by February 1, 2016.

7.11 Sec. 9. **APPROPRIATION; NURSE LOAN FORGIVENESS PROGRAM.**

7.12 \$260,000 in fiscal year 2016 is appropriated from the general fund to the
7.13 commissioner of health for the nurse loan forgiveness program under Minnesota Statutes,
7.14 section 144.1501. This appropriation is in addition to any previous appropriation for this
7.15 purpose and is added to the program's base.