SENATE

STATE OF MINNESOTA
EIGHTY-SEVENTH LEGISLATURE

S.F. No. 2204

1.1 A bill for an act

1.2 relating to human services; creating critical access nursing facility designation;

1.3 appropriating money; amending Minnesota Statutes 2010, section 256B.441, by

1.4 adding a subdivision.

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

1.6 Section 1. Minnesota Statutes 2010, section 256B.441, is amended by adding a

1.7 subdivision to read:

1.8 Subd. 63. **Critical access nursing facilities.** (a) The commissioner, in consultation

1.9 with the commissioner of health, may designate certain nursing facilities as critical access

1.10 nursing facilities. The designation shall be granted on a competitive basis, within the

1.11 limits of funds appropriated for this purpose.

1.12 (b) The commissioner shall request proposals from nursing facilities every two years.

1.13 Proposals must be submitted in the form and according to the timelines established by

1.14 the commissioner. In selecting applicants to designate, the commissioner, in consultation

1.15 with the commissioner of health, and with input from stakeholders, shall develop criteria

1.16 designed to preserve access to nursing facility services in isolated areas, rebalance

1.17 long-term care, and improve quality.

1.18 (c) The commissioner shall allow the benefits in clauses (1) to (5) for nursing

1.19 facilities designated as critical access nursing facilities:

1.20 (1) partial rebasing, with operating payment rates being the sum of 60 percent of the

1.21 operating payment rate determined in accordance with subdivision 54 and 40 percent of the

1.22 operating payment rate that would have been allowed had the facility not been designated;

1.23 (2) enhanced payments for leave days. Notwithstanding section 256B.431,

1.24 subdivision 2r, upon designation as a critical access nursing facility, the commissioner

2.1 shall limit payment for leave days to 60 percent of that nursing facility's total payment rate

2.2 for the involved resident, and shall allow this payment only when the occupancy of the

2.3 nursing facility, inclusive of bed hold days, is equal to or greater than 90 percent;

2.4 (3) two designated critical access nursing facilities, with up to 100 beds in active

2.5 service, may jointly apply to the commissioner of health for a waiver of Minnesota

2.6 Rules, part 4658.0500, subpart 2, in order to jointly employ a director of nursing. The

2.7 commissioner of health will consider each waiver request independently based on the

2.8 criteria under Minnesota Rules, part 4658.0040;

2.9 (4) the minimum threshold under section 256B.431, subdivisions 3f, paragraph (a),

2.10 and 17e, shall be 40 percent of the amount that would otherwise apply; and

2.11 (5) notwithstanding subdivision 58, the quality-based rate limits under subdivision

2.12 50, and the removal of planned closure rate adjustments and single bed room incentives

2.13 from external fixed costs under subdivision 53, shall apply to designated critical access

2.14 nursing facilities.

2.15 (d) Designation of a critical access nursing facility shall be for a period of two

2.16 years, after which the benefits allowed under paragraph (c) shall be removed. Designated

2.17 facilities may apply for continued designation.

2.18 **EFFECTIVE DATE.** This section is effective the day following final enactment.

2.19 Sec. 2. **APPROPRIATION.**

2.20 $2,000,000 is appropriated in fiscal year 2013 from the general fund to the

2.21 commissioner of human services for the purposes of critical access nursing facilities under

2.22 Minnesota Statutes, section 256B.441, subdivision 63. This appropriation is ongoing

2.23 and is added to the base.