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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 3335

04/03/2014 Authored by Sawatzky, Sundin, Franson, Urdahl 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 nursing facility peer groups; providing an
1.3 operating payment rate increase for certain nursing facilities; amending Minnesota
1.4 Statutes 2012, section 256B.441, subdivision 30, by adding a subdivision.

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

1.6 Section 1. Minnesota Statutes 2012, section 256B.441, subdivision 30, is amended to
1.7 read:

1.8 Subd. 30. **Peer groups.** Facilities shall be classified into ~~three~~ two groups by
1.9 county. The groups shall consist of:

1.10 (1) group one: facilities in Anoka, Benton, Carlton, Carver, Chisago, Dakota,
1.11 Dodge, Goodhue, Hennepin, Isanti, Mille Lacs, Morrison, Olmsted, Ramsey, Rice,
1.12 Scott, Sherburne, St. Louis, Stearns, Steele, Wabasha, Washington, Winona, or Wright
1.13 County; and

1.14 (2) group two: ~~facilities in Aitkin, Beltrami, Blue Earth, Brown, Cass, Clay,~~
1.15 ~~Cook, Crow Wing, Faribault, Fillmore, Freeborn, Houston, Hubbard, Itasea, Kanabec,~~
1.16 ~~Koochiching, Lake, Lake of the Woods, Le Sueur, Martin, McLeod, Meeker, Mower,~~
1.17 ~~Nicollet, Norman, Pine, Roseau, Sibley, Todd, Wadena, Waseca, Watonwan, or Wilkin~~
1.18 ~~County; and~~

1.19 (3) ~~group three:~~ facilities in all other counties.

1.20 **EFFECTIVE DATE.** This section is effective October 1, 2014.

1.21 Sec. 2. Minnesota Statutes 2012, section 256B.441, is amended by adding a
1.22 subdivision to read:

2.1 Subd. 64. **Rate increase for certain nursing facilities.** Effective October 1, 2014,
2.2 the commissioner shall allow increases to operating payment rates of all nursing facilities
2.3 in group three as of September 30, 2014, that are reimbursed under this section or section
2.4 256B.434 for a resource utilization group rate with a weight of 1.00 to be equal to the rate
2.5 at a resource utilization group with a weight of 1.00 of the facility at the median of all
2.6 group two facilities in the state as of September 30, 2014. The percentage of the operating
2.7 payment rate for each facility to be case-mix adjusted shall be equal to the percentage that
2.8 is case-mix adjusted in that facility's operating payment rate on the preceding September
2.9 30. This subdivision shall apply only if it results in a rate increase.