

State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 1789

04/19/2013 Authored by Dill

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

1.1 A bill for an act  
1.2 relating to human services; modifying critical access nursing facilities provisions;  
1.3 appropriating money; amending Minnesota Statutes 2012, section 256B.441,  
1.4 subdivision 63.

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

1.6 Section 1. Minnesota Statutes 2012, section 256B.441, subdivision 63, is amended to  
1.7 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  
1.13 two years. Proposals must be submitted in the form and according to the timelines  
1.14 established by the commissioner. In selecting applicants to designate, the commissioner,  
1.15 in consultation with the commissioner of health, and with input from stakeholders, shall  
1.16 develop criteria designed to preserve access to nursing facility services in isolated areas,  
1.17 rebalance long-term care, and improve quality. Beginning in fiscal year 2014, additional  
1.18 designations must be in economic development regions with no designated critical access  
1.19 nursing facilities, or if no such economic development regions remain, in those with  
1.20 the fewest designations.

1.21 (c) The commissioner shall allow the benefits in clauses (1) to (5) for nursing  
1.22 facilities designated as critical access nursing facilities:

1.23 (1) partial rebasing, with the commissioner allowing a designated facility operating  
1.24 payment rates being the sum of up to 60 percent of the operating payment rate determined

in accordance with subdivision 54 and at least 40 percent, with the sum of the two portions being equal to 100 percent, of the operating payment rate that would have been allowed had the facility not been designated;

(2) enhanced payments for leave days. Notwithstanding section 256B.431, subdivision 2r, upon designation as a critical access nursing facility, the commissioner shall limit payment for leave days to 60 percent of that nursing facility's total payment rate for the involved resident, and shall allow this payment only when the occupancy of the nursing facility, inclusive of bed hold days, is equal to or greater than 90 percent;

(3) two designated critical access nursing facilities, with up to 100 beds in active service, may jointly apply to the commissioner of health for a waiver of Minnesota Rules, part 4658.0500, subpart 2, in order to jointly employ a director of nursing. The commissioner of health will consider each waiver request independently based on the criteria under Minnesota Rules, part 4658.0040;

(4) the minimum threshold under section 256B.431, subdivisions 3f, paragraph (a), and 17e, shall be 40 percent of the amount that would otherwise apply; and

(5) notwithstanding subdivision 58, beginning October 1, 2014, the quality-based rate limits under subdivision 50 shall apply to designated critical access nursing facilities.

(d) Designation of a critical access nursing facility shall be for a period of two years, after which the benefits allowed under paragraph (c) shall be removed. Designated facilities may apply for continued designation.

(e) \$1,500,000 is appropriated in each fiscal year beginning in 2014 for critical access nursing facility benefits allowed under paragraph (c).