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State of Minnesota  
**HOUSE OF REPRESENTATIVES**

NINETIETH SESSION

**H. F. No. 582**

01/26/2017 Authored by Schomacker, Kiel, Backer and Sandstede  
The bill was read for the first time and referred to the Committee on Health and Human Services Reform  
03/02/2017 Adoption of Report: Amended and re-referred to the Committee on Health and Human Services Finance

1.1 A bill for an act  
1.2 relating to health; modifying the types of health professionals who may be employed  
1.3 by supplemental nursing services agencies overseen by the commissioner of health;  
1.4 modifying certain provisions governing nursing home and nursing facility costs;  
1.5 amending Minnesota Statutes 2016, sections 144A.70, subdivision 6, by adding a  
1.6 subdivision; 144A.74; 256R.02, subdivision 4.

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

1.8 Section 1. Minnesota Statutes 2016, section 144A.70, is amended by adding a subdivision  
1.9 to read:

1.10 Subd. 4a. **Nurse.** "Nurse" means a licensed practical nurse as defined in section 148.171,  
1.11 subdivision 8, or a registered nurse as defined in section 148.171, subdivision 20.

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

1.13 Sec. 2. Minnesota Statutes 2016, section 144A.70, subdivision 6, is amended to read:

1.14 Subd. 6. **Supplemental nursing services agency.** "Supplemental nursing services  
1.15 agency" means a person, firm, corporation, partnership, or association engaged for hire in  
1.16 the business of providing or procuring temporary employment in health care facilities for  
1.17 nurses, nursing assistants, nurse aides, and orderlies, ~~and other licensed health professionals.~~  
1.18 Supplemental nursing services agency does not include an individual who only engages in  
1.19 providing the individual's services on a temporary basis to health care facilities. Supplemental  
1.20 nursing services agency does not include a professional home care agency licensed under  
1.21 section 144A.471 that only provides staff to other home care providers.

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

Sec. 3. Minnesota Statutes 2016, section 144A.74, is amended to read:

**144A.74 MAXIMUM CHARGES.**

A supplemental nursing services agency must not bill or receive payments from a nursing home licensed under this chapter at a rate higher than 150 percent of the sum of the weighted average wage rate, plus a factor determined by the commissioner to incorporate payroll taxes as defined in ~~Minnesota Rules, part 9549.0020, subpart 33~~ section 256R.02, subdivision 37, for the applicable employee classification for the geographic group ~~to which the nursing home is assigned under Minnesota Rules, part 9549.0052~~ specified in section 256R.23, subdivision 4. The weighted average wage rates must be determined by the commissioner of human services and reported to the commissioner of health on an annual basis. Wages are defined as hourly rate of pay and shift differential, including weekend shift differential and overtime. Facilities shall provide information necessary to determine weighted average wage rates to the commissioner of human services in a format requested by the commissioner. The maximum rate must include all charges for administrative fees, contract fees, or other special charges in addition to the hourly rates for the temporary nursing pool personnel supplied to a nursing home. A nursing home that pays for the actual travel and housing costs for supplemental nursing services agency staff working at the facility and that pays these costs to the employee, the agency, or another vendor, is not violating the limitation on charges described in this section.

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

Sec. 4. Minnesota Statutes 2016, section 256R.02, subdivision 4, is amended to read:

Subd. 4. **Administrative costs.** "Administrative costs" means the identifiable costs for administering the overall activities of the nursing home. These costs include salaries and wages of the administrator, assistant administrator, business office employees, security guards, and associated fringe benefits and payroll taxes, fees, contracts, or purchases related to business office functions, licenses, and permits except as provided in the external fixed costs category, employee recognition, travel including meals and lodging, all training except as specified in subdivision 17, voice and data communication or transmission, office supplies, property and liability insurance and other forms of insurance not designated to other areas, personnel recruitment, legal services, accounting services, management or business consultants, data processing, information technology, Web site, central or home office costs, business meetings and seminars, postage, fees for professional organizations, subscriptions, security services, advertising, board of directors fees, working capital interest expense, ~~and~~ bad debts and bad debt collection fees, and costs incurred for travel and housing for persons

- 3.1 employed by a supplemental nursing services agency as defined in section 144A.70,
- 3.2 subdivision 6.
- 3.3 **EFFECTIVE DATE.** This section is effective October 1, 2017.