

CHAPTER 200 — H.F.No. 979

An act relating to health; encouraging philanthropic support of hospitals; providing that funds derived from specified types of gifts or grants shall not be deducted from the operating costs of a hospital; granting a hospital a specific waiver from certificate of need requirements; proposing new law coded in Minnesota Statutes, Chapter 144.

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

Section 1. **[144.704] GIFTS AND GRANTS.**

Subdivision 1. **LEGISLATIVE POLICY.** It is the policy of the state of Minnesota that philanthropic support for health care should be encouraged and expanded, especially in support of experimental and innovative efforts to improve the health care delivery system.

Subd. 2. **USE IN DETERMINING COSTS.** For the purposes of determining reasonable revenue necessary for the delivery of services furnished by hospitals, and for the purposes of third party cost payors in determining reasonable costs of services furnished by hospitals, the following grants, gifts and income from endowments from non-governmental sources shall be excluded:

(a) A donor-designated or restricted grant, gift, or income from an endowment, as defined in 42 Code of Federal Regulations 405.423(b)(2) as of December 31, 1980;

(b) An unrestricted grant or gift, or income from an unrestricted grant or gift, which is not available for use as operating funds because of its designation by the hospital's governing board; and

(c) Money from the sale or mortgage of any real estate or other capital assets of the hospital which the hospital acquired through a gift or grant and which is not available for use as operating funds under the terms of the gift or grant or because of its designation by the hospital's governing board, except for recovery of the appropriate share of gains and losses realized from the disposal of depreciable assets.

Sec. 2. **CERTIFICATE OF NEED WAIVER.**

The Sandstone area hospital may fulfill a contract entered into before January 1, 1981, by the Pine County board of commissioners and the Sandstone area hospital without complying with the provisions of sections 145.832 to 145.845.

Approved May 15, 1981

Changes or additions are indicated by underline, deletions by ~~strikeout~~.