

(b) All records relating to reports which, upon assessment or investigation, are found to be substantiated shall be destroyed seven years after the date of the final entry in the case record.

(c) All records of reports which, upon initial assessment or investigation, cannot be substantiated or disproved to the satisfaction of the local welfare agency, local police department or county sheriff may be kept for a period of one year. If the local welfare agency, local police department or county sheriff is unable to substantiate the report within that period, each agency unable to substantiate the report shall destroy its records relating to the report in the manner provided by clause (a).

(d) Any notification of intent to interview which was received by a school under subdivision 10, paragraph (c), shall be destroyed by the school when ordered to do so by the agency conducting the assessment or investigation. The agency shall order the destruction of the notification when other records relating to the report under investigation or assessment are destroyed under this subdivision.

Approved May 31, 1985

CHAPTER 267 — S.F.No. 251

An act relating to nursing homes; establishing an educational program for resident and family advisory councils; authorizing a surcharge on license fees; requiring evaluation and a report to the legislature by the Minnesota board on aging; appropriating money; amending Minnesota Statutes 1984, sections 256B.421, subdivision 8; and 256B.431, subdivision 2b; proposing coding for new law in Minnesota Statutes, chapter 144A.

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

Section 1. **[144A.33] RESIDENT AND FAMILY ADVISORY COUNCIL EDUCATION.**

Subdivision 1. EDUCATIONAL PROGRAM. Each resident and family council authorized under section 144.651, subdivision 27, shall be educated and informed about the following:

- (1) care in the nursing home or board and care home;
- (2) resident rights and responsibilities;
- (3) resident and family council organization and maintenance;
- (4) laws and rules that apply to homes and residents;
- (5) human relations; and

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(6) resident and family self-help methods to increase quality of care and quality of life in a nursing home or board and care home.

Subd. 2. PROVIDING EDUCATIONAL SERVICES. The Minnesota board on aging shall provide a grant-in-aid to a statewide, independent, nonprofit, consumer-sponsored agency to provide educational services to councils.

Subd. 3. FUNDING OF ADVISORY COUNCIL EDUCATION. A license application or renewal fee for nursing homes and boarding care homes under section 144.53 or 144A.07 must be increased by \$1.73 per bed to fund the development and education of resident and family advisory councils.

Subd. 4. SPECIAL ACCOUNT. All money collected by the commissioner of health under subdivision 3 must be deposited in the state treasury and credited to a special account called the nursing home advisory council fund.

Subd. 5. REPORT; EVALUATION. The Minnesota board on aging shall evaluate the programs and funding sources established under this section and report to the legislature by February 1 of each year concerning the programs established and the effectiveness of the programs.

Sec. 2. Minnesota Statutes 1984, section 256B.421, subdivision 8, is amended to read:

Subd. 8. OPERATING COSTS. "Operating costs" means the day-to-day costs of operating the facility in compliance with licensure and certification standards. Operating cost categories are: nursing, including nurses and nursing assistants training; dietary; laundry and linen; housekeeping; plant operation and maintenance; other care-related services; medical directors; licenses and other than license fees required by the Minnesota department of health; permits; general and administration; payroll taxes; real estate taxes, license fees required by the Minnesota department of health, and actual special assessments paid; and fringe benefits, including clerical training; and travel necessary for training programs for nursing personnel and dieticians required to maintain licensure, certification, or professional standards requirements.

Sec. 3. Minnesota Statutes 1984, section 256B.431, subdivision 2b, is amended to read:

Subd. 2b. OPERATING COSTS, AFTER JULY 1, 1985. (a) For rate years beginning on or after July 1, 1985, the commissioner shall establish procedures for determining per diem reimbursement for operating costs.

(b) The commissioner shall contract with an econometric firm with recognized expertise in and access to national economic change indices that can be applied to the appropriate cost categories when determining the operating cost payment rate.

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(c) The commissioner shall analyze and evaluate each nursing home's cost report of allowable operating costs incurred by the nursing home during the reporting year immediately preceding the rate year for which the payment rate becomes effective.

(d) The commissioner shall establish limits on actual allowable historical operating cost per diems based on cost reports of allowable operating costs for the reporting year that begins October 1, 1983, taking into consideration relevant factors including resident needs, geographic location, age, size of the nursing home, and the costs that must be incurred for the care of residents in an efficiently and economically operated nursing home. The limits established by the commissioner shall not be less, in the aggregate, than the 60th percentile of total actual allowable historical operating cost per diems for each group of nursing homes established under subdivision 1 based on cost reports of allowable operating costs in the previous reporting year. The limits established under this paragraph remain in effect until the commissioner establishes a new base period. Until the new base period is established, the commissioner shall adjust the limits annually using the appropriate economic change indices established in paragraph

(e). In determining allowable historical operating cost per diems for purposes of setting limits and nursing home payment rates, the commissioner shall divide the allowable historical operating costs by the actual number of resident days, except that where a nursing home is occupied at less than 90 percent of licensed capacity days, the commissioner may establish procedures to adjust the computation of the per diem to an imputed occupancy level at or below 90 percent. The commissioner shall establish efficiency incentives as appropriate. The commissioner may establish efficiency incentives for different operating cost categories. The commissioner shall consider establishing efficiency incentives in care related cost categories. The commissioner may combine one or more operating cost categories and may use different methods for calculating payment rates for each operating cost category or combination of operating cost categories.

(e) The commissioner shall establish a composite index or indices by determining the appropriate economic change indicators to be applied to specific operating cost categories or combination of operating cost categories.

(f) Each nursing home shall receive an operating cost payment rate equal to the sum of the nursing home's operating cost payment rates for each operating cost category. The operating cost payment rate for an operating cost category shall be the lesser of the nursing home's historical operating cost in the category increased by the appropriate index established in paragraph (e) for the operating cost category plus an efficiency incentive established pursuant to paragraph (d) or the limit for the operating cost category increased by the same index. If a nursing home's actual historic operating costs are greater than the prospective payment rate for that rate year, there shall be no retroactive cost settle-up. In establishing payment rates for one or more operating cost categories, the commis-

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sioner may establish separate rates for different classes of residents based on their relative care needs.

(g) The commissioner shall include the reported actual real estate tax liability of each proprietary nursing home as an operating cost of that nursing home. The commissioner shall include a reported actual special assessment, and reported actual license fees required by the Minnesota department of health, for each nursing home as an operating cost of that nursing home. Total real estate tax liability and, actual special assessments paid, and license fees paid as required by the Minnesota department of health, for each nursing home (1) shall be divided by actual resident days in order to compute the operating cost payment rate for this operating cost category, (2) shall not be used to compute the 60th percentile or other operating cost limits established by the commissioner, and (3) shall not be increased by the composite index or indices established pursuant to paragraph (e).

Sec. 4. APPROPRIATION.

Money in the nursing home advisory council fund is appropriated to the Minnesota board on aging for the purposes of section 1 to be available until June 30, 1987.

Approved May 31, 1985

CHAPTER 268 — S.F.No. 276

An act relating to notaries; providing procedures for various notarial acts; enacting the uniform law on notarial acts; amending Minnesota Statutes 1984, section 358.15; proposing coding for new law in Minnesota Statutes, chapter 358; repealing Minnesota Statutes 1984, sections 358.32 to 358.40.

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

Section 1. Minnesota Statutes 1984, section 358.15, is amended to read:

358.15 **BY WHOM TAKEN IN THIS STATE EX OFFICIO NOTARY PUBLIC.**

The following ~~named~~ officers ~~shall~~ have power to take and certify acknowledgments the powers of a notary public within the state:

(1) every member of the legislature, while still a resident in the district from which ~~he was~~ elected; but ~~he shall receive~~ no fee or compensation may be received for ~~so doing~~ exercising these powers. The form of ~~his~~ the official signature in ~~such~~ these cases ~~shall be~~ is: "A.B., Representative (or Sena-

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