

removal equipment operated by or under contract to the state or a political subdivision thereof.

(b) Authorized emergency vehicles may display flashing blue lights to the rear of the vehicle as a warning signal in combination with other lights permitted or required by this chapter.

(c) A motorcycle may display a blue light of up to one inch diameter as part of the motorcycle's rear brake light.

(d) A motor vehicle may display a blue light of up to one inch diameter as part of the vehicle's rear brake light if:

(1) the vehicle is a collector vehicle, as described in section 168.10; or

(2) the vehicle is eligible to display a collector plate under section 168.10.

**Sec. 2. EFFECTIVE DATE.**

Section 1 is effective the day following final enactment.

Presented to the governor March 24, 2000

Signed by the governor March 28, 2000, 2:36 p.m.

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**CHAPTER 294—H.F.No. 3196**

*An act relating to human services; allowing the director of nursing to serve as the administrator in a nursing home with less than 45 beds; allowing a nursing facility's employee pension benefit costs to be treated as PERA contributions; amending Minnesota Statutes 1999 Supplement, sections 144A.04, subdivision 5; and 256B.431, subdivision 28.*

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

Section 1. Minnesota Statutes 1999 Supplement, section 144A.04, subdivision 5, is amended to read:

Subd. 5. **ADMINISTRATORS.** Except as otherwise provided by this subdivision, a nursing home must have a full time licensed nursing home administrator serving the facility. Notwithstanding sections 144A.18 to 144A.27, in any nursing home of less than ~~32~~ 45 beds, the director of nursing services may also serve as the licensed nursing home administrator without being licensed as a nursing home administrator, provided the director of nursing services has passed the state law and rules examination administered by the board of examiners for nursing home administrators and maintains evidence of completion of 20 hours of continuing education each year on topics pertinent to nursing home administration. Two nursing homes under common ownership or management pursuant to a lease or management contract having a total of 150 beds or less and located within 75 miles of each other may share the services of a licensed administrator if the administrator divides the full-time work week

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between the two facilities in proportion to the number of beds in each facility. Every nursing home shall have a person-in-charge on the premises at all times in the absence of the licensed administrator. The name of the person in charge must be posted in a conspicuous place in the facility. The commissioner of health shall by rule promulgate minimum education and experience requirements for persons-in-charge, and may promulgate rules specifying the times of day during which a licensed administrator must be on the nursing home's premises. In the absence of rules adopted by the commissioner governing the division of an administrator's time between two nursing homes, the administrator shall designate and post the times the administrator will be on site in each home on a regular basis. A nursing home may employ as its administrator the administrator of a hospital licensed pursuant to sections 144.50 to 144.56 if the individual is licensed as a nursing home administrator pursuant to section 144A.20 and the nursing home and hospital have a combined total of 150 beds or less and are located within one mile of each other. A nonproprietary retirement home having fewer than 15 licensed nursing home beds may share the services of a licensed administrator with a nonproprietary nursing home, having fewer than 150 licensed nursing home beds, that is located within 25 miles of the retirement home. A nursing home which is located in a facility licensed as a hospital pursuant to sections 144.50 to 144.56, may employ as its administrator the administrator of the hospital if the individual meets minimum education and long term care experience criteria set by rule of the commissioner of health.

Sec. 2. Minnesota Statutes 1999 Supplement, section 256B.431, subdivision 28, is amended to read:

Subd. 28. **NURSING FACILITY RATE INCREASES BEGINNING JULY 1, 1999, AND JULY 1, 2000.** (a) For the rate years beginning July 1, 1999, and July 1, 2000, the commissioner shall make available to each nursing facility reimbursed under this section or section 256B.434 an adjustment to the total operating payment rate. For each facility, total operating costs shall be separated into costs that are compensation related and all other costs. Compensation-related costs include salaries, payroll taxes, and fringe benefits for all employees except management fees, the administrator, and central office staff.

(b) For the rate year beginning July 1, 1999, the commissioner shall make available a rate increase for compensation-related costs of 4.843 percent and a rate increase for all other operating costs of 3.446 percent.

(c) For the rate year beginning July 1, 2000, the commissioner shall make available a rate increase for compensation-related costs of 3.632 percent and a rate increase for all other operating costs of 2.585 percent.

(d) The payment rate adjustment for each nursing facility must be determined under clause (1) or (2):

(1) for each nursing facility that reports salaries for registered nurses, licensed practical nurses, aides, orderlies, and attendants separately, the commissioner shall determine the payment rate adjustment using the categories specified in paragraph (a) multiplied by the rate increases specified in paragraph (b) or (c), and then dividing the

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resulting amount by the nursing facility's actual resident days. In determining the amount of a payment rate adjustment for a nursing facility reimbursed under section 256B.434, the commissioner shall determine the proportions of the facility's rates that are compensation-related costs and all other operating costs based on the facility's most recent cost report; and

(2) for each nursing facility that does not report salaries for registered nurses, licensed practical nurses, aides, orderlies, and attendants separately, the payment rate adjustment shall be computed using the facility's total operating costs, separated into the categories specified in paragraph (a) in proportion to the weighted average of all facilities determined under clause (1), multiplied by the rate increases specified in paragraph (b) or (c), and then dividing the resulting amount by the nursing facility's actual resident days.

(e) A nursing facility may apply for the compensation-related payment rate adjustment calculated under this subdivision. The application must be made to the commissioner and contain a plan by which the nursing facility will distribute the compensation-related portion of the payment rate adjustment to employees of the nursing facility. For nursing facilities in which the employees are represented by an exclusive bargaining representative, an agreement negotiated and agreed to by the employer and the exclusive bargaining representative constitutes the plan. The commissioner shall review the plan to ensure that the payment rate adjustment per diem is used as provided in paragraphs (a) to (c). To be eligible, a facility must submit its plan for the compensation distribution by December 31 each year. A facility may amend its plan for the second rate year by submitting a revised plan by December 31, 2000. If a facility's plan for compensation distribution is effective for its employees after July 1 of the year that the funds are available, the payment rate adjustment per diem shall be effective the same date as its plan.

(f) A copy of the approved distribution plan must be made available to all employees. This must be done by giving each employee a copy or by posting it in an area of the nursing facility to which all employees have access. If an employee does not receive the compensation adjustment described in their facility's approved plan and is unable to resolve the problem with the facility's management or through the employee's union representative, the employee may contact the commissioner at an address or phone number provided by the commissioner and included in the approved plan.

(g) If the reimbursement system under section 256B.435 is not implemented until July 1, 2001, the salary adjustment per diem authorized in subdivision 2i, paragraph (c), shall continue until June 30, 2001.

(h) For the rate year beginning July 1, 1999, the following nursing facilities shall be allowed a rate increase equal to 67 percent of the rate increase that would be allowed if subdivision 26, paragraph (a), was not applied:

(1) a nursing facility in Carver county licensed for 33 nursing home beds and four boarding care beds;

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(2) a nursing facility in Faribault county licensed for 159 nursing home beds on September 30, 1998; and

(3) a nursing facility in Houston county licensed for 68 nursing home beds on September 30, 1998.

(i) For the rate year beginning July 1, 1999, the following nursing facilities shall be allowed a rate increase equal to 67 percent of the rate increase that would be allowed if subdivision 26, paragraphs (a) and (b), were not applied:

(1) a nursing facility in Chisago county licensed for 135 nursing home beds on September 30, 1998; and

(2) a nursing facility in Murray county licensed for 62 nursing home beds on September 30, 1998.

(j) For the rate year beginning July 1, 1999, a nursing facility in Hennepin county licensed for 134 beds on September 30, 1998, shall:

(1) have the prior year's allowable care-related per diem increased by \$3.93 and the prior year's other operating cost per diem increased by \$1.69 before adding the inflation in subdivision 26, paragraph (d), clause (2); and

(2) be allowed a rate increase equal to 67 percent of the rate increase that would be allowed if subdivision 26, paragraphs (a) and (b), were not applied.

(k) For the rate years beginning on or after July 1, 2000, a nursing home facility in Goodhue county that was licensed for 104 beds on February 1, 2000, shall have its employee pension benefit costs reported on its Rule 50 cost report treated as PERA contributions for the purpose of computing its payment rates.

Presented to the governor March 24, 2000

Signed by the governor March 28, 2000, 2:36 p.m.

#### CHAPTER 295—S.F.No. 3161

*An act relating to health; modifying provisions for health care purchasing alliances; amending Minnesota Statutes 1998, sections 62T.03; 62T.05; 62T.06, subdivisions 1 and 2; and 62T.11; Minnesota Statutes 1999 Supplement, section 62T.04; proposing coding for new law in Minnesota Statutes, chapter 62T; repealing Minnesota Statutes 1998, section 62T.13.*

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

#### Section 1. **[62T.025] EMPLOYER-MEMBER CONTRIBUTION.**

If an employer-member of a purchasing alliance can demonstrate that the member has not offered employee health coverage for a year or more, the member may contribute 25 percent or more of the cost of employee coverage for up to 36 months. This provision only applies to rural purchasing alliances organized under this chapter

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