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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 3169

- 03/16/2016 Authored by Backer and Lien  
The bill was read for the first time and referred to the Committee on Aging and Long-Term Care Policy
- 03/24/2016 Adoption of Report: Re-referred to the Committee on Health and Human Services Reform
- 04/01/2016 Adoption of Report: Re-referred to the Committee on Health and Human Services Finance

1.1 A bill for an act  
 1.2 relating to human services; modifying the operating payment rate for certain  
 1.3 nonprofit nursing facilities in border cities; amending Minnesota Statutes 2015  
 1.4 Supplement, section 256B.441, subdivision 66.

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

1.6 Section 1. Minnesota Statutes 2015 Supplement, section 256B.441, subdivision 66,  
 1.7 is amended to read:

1.8 Subd. 66. **Nursing facilities in border cities.** (a) Rate increases under this section  
 1.9 for a facility located in Breckenridge are effective for the rate year beginning January 1,  
 1.10 2016, and annually thereafter; . Rate increases under this section for a facility located in  
 1.11 Moorhead are effective for the rate year beginning January 1, 2020, and annually thereafter.

1.12 (b) Operating payment rates of a nonprofit nursing facility that exists on January  
 1.13 1, 2015, is located anywhere within the boundaries of the city cities of Breckenridge or  
 1.14 Moorhead, and is reimbursed under this section, section 256B.431, or section 256B.434,  
 1.15 shall be adjusted to be equal to the median RUG's rates, including comparable rate  
 1.16 components as determined by the commissioner, for the equivalent RUG's weight of the  
 1.17 nonprofit nursing facility or facilities located in an adjacent city in another state and in  
 1.18 cities contiguous to the adjacent city. The commissioner must make the comparison  
 1.19 required under this subdivision on October 1 of each year. The adjustment under this  
 1.20 subdivision applies to the rates effective on the following January 1.

1.21 (c) The Minnesota facility's operating payment rate with a weight of 1.0 shall be  
 1.22 computed by dividing the adjacent city's nursing facilities median operating payment rate  
 1.23 with a weight of 1.02 by 1.02. If the adjustments under this subdivision result in a rate that  
 1.24 exceeds the limits in subdivisions 50 and 51 in a given rate year, the facility's rate shall

2.1 ~~not be subject to those limits for that rate year.~~ If a facility's rate is increased under this  
2.2 subdivision, the facility is not subject to the total care-related limit in subdivision 50 and is  
2.3 not limited to the other operating price established in subdivision 51. This subdivision  
2.4 shall apply only if it results in a higher operating payment rate than would otherwise be  
2.5 determined under this section, section 256B.431, or section 256B.434.