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State of Minnesota
HOUSE OF REPRESENTATIVES
NINETIETH SESSION

H. F. No. 2189

03/07/2017 Authored by Pierson
The bill was read for the first time and referred to the Committee on Health and Human Services Reform

1.1 A bill for an act
1.2 relating to human services; providing an external fixed costs payment rate
1.3 exemption for a facility in Olmsted County; providing an exception to maximum
1.4 charges; amending Minnesota Statutes 2016, section 256R.53, by adding a
1.5 subdivision.

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

1.7 Section 1. Minnesota Statutes 2016, section 256R.53, is amended by adding a subdivision
1.8 to read:

1.9 Subd. 3. Nursing facility in Olmsted County. (a) A facility in Olmsted County with
1.10 57 active beds as of September 30, 2016, whose external fixed costs payment rate under
1.11 section 256R.25 does not include costs from the employer share of providing employee
1.12 health insurance coverage as of June 30, 2017, but that has a signed contract with a health
1.13 insurance provider to begin providing employee health insurance coverage by July 1, 2017,
1.14 shall receive a rate adjustment based on the contracted annual cost. The rate adjustment
1.15 shall be effective from July 1, 2017, through December 31, 2019, and be computed by
1.16 dividing the contracted annual cost by the sum of the facility's resident days from the cost
1.17 report for the reporting period ending September 30, 2016. For the rate years beginning
1.18 January 1, 2020, and later, the facility's employer health insurance costs from the facility's
1.19 most recent cost report shall be used as described in section 256R.25, paragraph (j).

1.20 (b) Effective for cost reporting periods ending on September 30, 2015, and later, a facility
1.21 in Olmsted County with 57 active beds as of September 30, 2016, shall not have the facility's
1.22 cost reports adjusted by the commissioner if the facility is billed and makes payments in
1.23 excess of the maximum charges allowed under section 144A.74. If the facility is billed and

- 2.1 makes payments in excess of the amounts under section 144A.74, the only action to be
- 2.2 taken shall be by the commissioner of health under section 144A.72.
- 2.3 **EFFECTIVE DATE.** This section is effective July 1, 2017.