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State of Minnesota  
**HOUSE OF REPRESENTATIVES**

EIGHTY-NINTH SESSION

**H. F. No. 553**

02/02/2015 Authored by Backer, Lien and Schomacker

The bill was read for the first time and referred to the Committee on Aging and Long-Term Care Policy

03/05/2015 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 2014,  
1.4 section 256B.431, by adding a subdivision.

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

1.6 Section 1. Minnesota Statutes 2014, section 256B.431, is amended by adding a  
1.7 subdivision to read:

1.8 Subd. 46. **Rate increase for nonprofit facilities in border cities.** Effective October  
1.9 1, 2015, and annually thereafter, operating payment rates of a nonprofit nursing facility  
1.10 that exists on January 1, 2015, is located anywhere within the boundaries of the cities of  
1.11 Moorhead or Breckenridge, and is reimbursed under this section, section 256B.434, or  
1.12 section 256B.441, shall be adjusted to be equal to the median RUG's rates, including  
1.13 comparable rate components as determined by the commissioner, for the equivalent  
1.14 RUG's weight of the nonprofit nursing facility or facilities located in an adjacent city  
1.15 in another state and in cities contiguous to the adjacent city. The Minnesota facility's  
1.16 operating payment rate with a weight of 1.0 shall be computed by dividing the adjacent  
1.17 city's nursing facilities median operating payment rate with a weight of 1.02 by 102. This  
1.18 subdivision shall apply only if it results in a rate increase. If in a given year rate equality is  
1.19 achieved under this subdivision, a nursing facility eligible under this subdivision shall not  
1.20 be eligible for an operating payment rate adjustment provided under this section, section  
1.21 256B.434 or 256B.441, or any other law.

1.22 **EFFECTIVE DATE.** This section is effective October 1, 2015.