

**9549.0053 DETERMINATION AND ALLOCATION OF FRINGE BENEFITS AND PAYROLL TAXES, FOOD COSTS, AND DIETITIAN CONSULTING FEES.**

Subpart 1. **Fringe benefits and payroll taxes.** Fringe benefits and payroll taxes must be allocated to case mix, other care related costs, and other operating costs according to items A to E.

A. For the rate year beginning July 1, 1987, the allocation method in items B to E must be used. For the rate years beginning on or after July 1, 1988, all of the nursing facility's fringe benefits and payroll taxes must be classified to the operating cost categories in part 9549.0040, subparts 1 to 6, based on direct identification. If direct identification cannot be used for all the nursing facility's fringe benefits and payroll taxes, the allocation method in items B to E must be used.

B. Fringe benefits and payroll taxes must be allocated to case mix operating costs in the same proportion to salaries reported under part 9549.0040, subpart 5.

C. Fringe benefits and payroll taxes must be allocated to other care related costs in the same proportion to salaries reported under part 9549.0040, subpart 6.

D. Fringe benefits and payroll taxes must be allocated to other operating costs in the same proportion to salaries reported under part 9549.0040, subparts 1, 2, 3, 4, and 7.

E. For any nursing facility that cannot separately report each salary component of an operating cost category, the commissioner shall determine the fringe benefits and payroll taxes to be allocated under this subpart according to subitems (1), (2), (3), and (4).

(1) The commissioner shall sum the allowable salaries for all nursing facilities separately reporting allowable salaries in each cost category, by cost category and in total.

(2) The commissioner shall determine the ratio of the total allowable salaries in each cost category to the total allowable salaries in all cost categories, based on the totals in subitem (1).

(3) The nursing facility's total allowable fringe benefits and payroll taxes must be multiplied by each ratio determined in subitem (2) to determine the amount of payroll taxes and fringe benefits allocated to each cost category for the nursing facility under this item.

(4) If a nursing facility's salary cost for any operating cost category in part 9549.0020, subpart 32, items A to G, is zero and the services provided to the nursing facility in that operating cost category are not performed by a related organization, the nursing facility must reclassify one dollar to a salary cost line in the operating cost category.

Subp. 2. **Determination of food costs.** The commissioner shall determine the costs of food to be included in other care related costs according to items A and B.

A. For any nursing facility separately reporting food costs, food costs shall be the allowable food costs reported under part 9549.0040, subpart 1.

B. For any nursing facility that cannot separately report the cost of food under part 9549.0040, subpart 1, the commissioner shall determine the average ratio of food costs to total dietary costs for all nursing facilities that separately reported food costs. The nursing facility's total allowable dietary costs must be multiplied by the average ratio to determine the food costs for the nursing facility.

Subp. 3. **Determination of dietitian consulting fees.** The commissioner shall determine the dietitian consulting fees to be included in other care related costs according to items A and B.

A. For any nursing facility separately reporting dietitian consulting fees, the dietitian consulting fees shall be the allowable dietitian consulting fees reported under part 9549.0040, subpart 1.

B. For any nursing facility that has not separately reported dietitian consulting fees, the commissioner shall determine the average cost per licensed bed of allowable dietitian consulting fees for all nursing facilities that separately reported dietitian consulting fees. The nursing facility's total number of licensed beds must be multiplied by the average cost per bed to determine the dietitian consulting fees for the nursing facility.

**Statutory Authority:** *MS s 256B.41; 256B.431*

**History:** *11 SR 1990; L 1992 c 513 art 7 s 136*

**Published Electronically:** *October 11, 2007*