

1 Department of Human Services

2

3 Adopted Permanent Rules Relating to Nursing Home Property

4 Reimbursement Rate

5

6 Rules as Adopted

7 9549.0059 RESIDENT ASSESSMENT.

8 Subpart 1. to 8. [Unchanged.]

9 Subp. 9. Resident access to assessments and

10 documentation. The nursing home must provide access to

11 information regarding rates, assessments, and other

12 documentation provided to the Department of Health in support of

13 the resident's assessments to each nursing home resident or the

14 resident's authorized representative according to items A to D.

15 A. to C. [Unchanged.]

16 D. The nursing home must provide each nursing home

17 resident or the resident's authorized representative with a copy

18 of the assessment form and any other documentation provided to

19 the Department of Health in support of the assessment within

20 three working days of receipt of a written request from the

21 resident or the resident's authorized representative.

22 9549.0060 DETERMINATION OF THE PROPERTY-RELATED PAYMENT RATE.

23 Subpart 1. to 8. [Unchanged.]

24 Subp. 9. Building capital allowance for nursing homes with

25 operating leases. Except as provided in subpart 14, for rate

26 years beginning after June 30, 1985, the building capital

27 allowance for nursing homes with operating lease costs incurred

28 for buildings must be paid as determined by items A to C.

29 A. to D. [Unchanged.]

30 E. The phrase "operating lease" does not include a

31 nominal lease. For purposes of this subpart, a lease that meets

32 the following conditions is considered a nominal lease:

33 (1) the annual lease payment in comparison to the

34 rental value of the physical plant and depreciable equipment is

35 a nominal amount, usually \$1 per year;

1                   (2) the length of the lease, including renewal  
2 provisions, reflects the intent of the lessor and lessee to  
3 lease the physical plant and depreciable equipment for the  
4 remainder of their useful lives;

5                   (3) the lease agreement imposes a duty upon the  
6 lessee to make necessary improvements and to properly maintain  
7 the nursing home;

8                   (4) the lease agreement has no restrictions on  
9 the free use of the nursing home by the lessee other than it  
10 must be used as a licensed nursing home; and

11                   (5) the lease agreement must not require the  
12 furnishing of any indirect benefits to the lessor.

13           A nursing home leased with a nominal lease shall have its  
14 building capital allowance computed as in subpart 8. This item  
15 is effective for rate years beginning on or after July 1, 1988.

16           Subp. 10. to 14. [Unchanged.]