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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH
SESSION

HOUSE FILE No. **663**

February 5, 2007

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The bill was read for the first time and referred to the Committee on Health and Human Services

March 24, 2007

Committee Recommendation and Adoption of Report:

Re-referred to the Committee on Finance without further recommendation

1.1 A bill for an act
1.2 relating to human services; increasing nursing facility payment rates to the
1.3 60th percentile rate; amending Minnesota Statutes 2006, section 256B.434, by
1.4 adding a subdivision.

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

1.6 Section 1. Minnesota Statutes 2006, section 256B.434, is amended by adding a
1.7 subdivision to read:

1.8 Subd. 19. Rate increase for nursing facilities. Effective for rate years beginning
1.9 October 1, 2007; October 1, 2008; and October 1, 2010, operating payment rates of all
1.10 nursing facilities that are reimbursed under this section or section 256B.441 shall be
1.11 increased to be equal, for a RUGS rate with a weight of 1.00, by up to four percent, but
1.12 not to exceed, for the same RUGS weight, the rate of the facility at the 60th percentile of
1.13 all nursing facilities in the state. The percentage of the operating payment rate for each
1.14 facility to be case-mix adjusted shall be equal to the percentage that is case-mix adjusted
1.15 in that facility's operating payment rate on the preceding September 30. This subdivision
1.16 applies only if it results in a rate increase. Increases provided by this subdivision shall
1.17 be added to the rate determined under any new reimbursement system established under
1.18 section 256B.441.