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State of Minnesota  
**HOUSE OF REPRESENTATIVES**

**EIGHTY-FIFTH  
SESSION**

**HOUSE FILE NO. 2749**

February 12, 2008

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The bill was read for the first time and referred to the Committee on Finance

1.1 A bill for an act  
1.2 relating to human services; increasing reimbursement rates for nursing facilities  
1.3 located in Olmsted County; amending Minnesota Statutes 2006, section  
1.4 256B.434, by 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. 21. **Rate increase for facilities in Olmsted County.** Effective October 1,  
1.9 2008, operating payment rates of nursing facilities in Olmsted County that are reimbursed  
1.10 under this section or section 256B.441 shall be increased to be equal, for a RUG's rate  
1.11 with a weight of 1.00, to the geographic group III median rate for the same RUG's weight.  
1.12 The percentage of the operating payment rate for each facility to be case-mix adjusted  
1.13 shall be equal to the percentage that is case-mix adjusted in that facility's September 30,  
1.14 2008, operating payment rate. This subdivision applies only if it results in a rate increase.  
1.15 Increases provided by this subdivision shall be applied prior to the phase-in of rebased  
1.16 operating cost payment rates under section 256B.441, subdivision 55.