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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-SIXTH
SESSION

HOUSE FILE No. **346**

January 29, 2009

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The bill was read for the first time and referred to the Committee on State and Local Government Operations Reform,
Technology and Elections

1.1 A bill for an act
1.2 relating to human services; requiring certain pension benefit costs to be
1.3 recognized for purposes of calculating nursing facility payment rates; amending
1.4 Minnesota Statutes 2008, section 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 2008, section 256B.434, is amended by adding a
1.7 subdivision to read:

1.8 Subd. 21. **Payment for pension benefit costs.** (a) For the rate year beginning
1.9 October 1, 2009, a nursing facility in Meeker County that was licensed for 58 beds as of
1.10 December 1, 2007, shall have its employee pension benefit costs reported on its alternative
1.11 payment system cost report treated as Public Employees Retirement Association (PERA)
1.12 contributions for the purpose of computing its payment rates. These costs shall be
1.13 recalculated by the commissioner for each rate year using the procedure described in
1.14 subdivision 20. These costs shall be included in the facility's total payment rates for the
1.15 purpose of determining future rates under this section or any other section.

1.16 (b) For the rate year beginning October 1, 2009, a nursing facility in McLeod
1.17 County that was licensed for 120 beds as of December 1, 2007, shall have its employee
1.18 pension benefit costs reported on its alternative payment system cost report treated as
1.19 PERA contributions for the purpose of computing its payment rates. These costs shall
1.20 be recalculated by the commissioner for each rate year using the procedure described in
1.21 subdivision 20. These costs shall be included in the facility's total payment rates for the
1.22 purpose of determining future rates under this section or any other section.

1.23 (c) For the rate year beginning October 1, 2009, a nursing facility in Jackson
1.24 County that was licensed for 43 beds as of December 1, 2007, shall have its employee

2.1 pension benefit costs reported on its alternative payment system cost report treated as
2.2 PERA contributions for the purpose of computing its payment rates. These costs shall
2.3 be recalculated by the commissioner for each rate year using the procedure described in
2.4 subdivision 20. These costs shall be included in the facility's total payment rates for the
2.5 purpose of determining future rates under this section or any other section.

2.6 (d) For the rate year beginning October 1, 2009, a nursing facility in Renville
2.7 County that was licensed for 54 beds as of December 1, 2007, shall have its employee
2.8 pension benefit costs reported on its alternative payment system cost report treated as
2.9 PERA contributions for the purpose of computing its payment rates. These costs shall
2.10 be recalculated by the commissioner for each rate year using the procedure described in
2.11 subdivision 20. These costs shall be included in the facility's total payment rates for the
2.12 purpose of determining future rates under this section or any other section.