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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH  
SESSION

HOUSE FILE No. **3339**

February 21, 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 payment rates for nursing facilities in  
1.3 Minneapolis to the geographic group III median rate; amending Minnesota  
1.4 Statutes 2006, 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 2006, section 256B.434, is amended by adding a  
1.7 subdivision to read:

1.8 Subd. 4i. **Rate increase for facilities in Minneapolis.** Effective October 1, 2008,  
1.9 operating payment rates a nursing facility in Minneapolis that is a low-cost provider of  
1.10 nursing facility services for the medical assistance program, is licensed as a boarding care  
1.11 facility, primarily serves persons with mental health and behavioral challenges, has 105  
1.12 certified nursing facility beds as of January 1, 2008, and that is reimbursed under this  
1.13 section is increased to be equal, for a RUG's rate with a weight of 1.00, to the median  
1.14 rate for all nursing facilities in geographic group three for the same RUG's weight. The  
1.15 percentage of the operating payment rate for this facility to be case-mix adjusted is  
1.16 equal to the percentage that is case-mix adjusted in that facility's September 30, 2008,  
1.17 operating payment rate. Increases provided by this subdivision must be applied after  
1.18 the October 1, 2008, phase-in of rebased operating cost payment rates under section  
1.19 256B.441, subdivision 55.