

**Subject** Fair rental value property payment rate for nursing facility in Fergus Falls

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### Overview

This bill requires the property portion of the total nursing facility payment rate for a specified nursing facility located in Fergus Falls to be determined according to the fair rental value under MA value-based reimbursement payment rates.

The value-based reimbursement system, authorized by the 2015 Legislature, sets nursing facility reimbursement rates under Medical Assistance based on nursing facilities' historical cost reports. The total payment rate consists of the direct care rate, other care-related rate, other operating rate, external fixed rate, and the property rate.

### Summary

| Section | Description |
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| <b>1</b> | <b>Property payment rate; additional facilities.</b> |
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|  | Creates § 256R.269. Requires the property portion of the total payment rate for a nursing facility located in Fergus Falls licensed for 105 beds on September 1, 2021, to be determined according to the fair rental value under MA value-based reimbursement payment rates. Under current law, only nursing facilities that have completed a moratorium exception project or consolidation project are eligible for the fair rental value property rate. |
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|  | Makes this section effective for property payment rates beginning on January 1, 2023. |
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