

HOUSE RESEARCH

Bill Summary

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Overview

This bill provides rate increases for intermediate care facilities and other specified services for the rate periods beginning July 1, 2007, and July 1, 2008.

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- 1 ICF/MR rate increases effective July 1, 2007, and July 1, 2008.** Amends § 256B.5012, by adding subd. 7. Paragraph (a) requires the commissioner to adjust the total operating payment rate by an unspecified percentage for the rate period beginning on July 1, 2007. Requires the commissioner to adjust the total operating payment rate by an unspecified percentage for the rate period beginning on July 1, 2008.

Paragraph (b) requires an unspecified percentage of the money resulting from the rate adjustment to be used to increase wages and benefits and pay associated costs for employees, except for the administrator and management fees. Requires an unspecified percentage of the money received by a facility as a result of the rate adjustment to be used only for aggregate wage, benefit, and staff increases implemented on or after the effective date of the rate increase each year and prohibits the money from being used for increases implemented prior to that date. Allows wage adjustments and other benefits eligible employees receive to vary based on merit, seniority, or other factors determined by the provider.

Paragraph (c) requires the commissioner to make available an adjustment for each facility based on licensed beds, using the percentage specified in paragraph (a) multiplied by the

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total payment rate in effect on the preceding June 30, including variable and retirement rates but excluding the property-related payment rate. Specifies how the commissioner shall calculate compliance with paragraph (b).

Paragraph (d) specifies certain facilities not eligible for an adjustment otherwise granted under this subdivision.

Paragraph (e) requires a copy of the provider's plan for complying with paragraph (b) to be made available to all employees. Allows employees who do not receive an adjustment to contact the employee's union representative. Allows employees not covered by a collective bargaining agreement to contact the commissioner at a telephone number provided by the commissioner and included in the provider's plan.

2 Provider rate increases. Paragraph (a) requires the commissioner of human services to increase reimbursement rates or rate limits by an unspecified percent for the rate period beginning July 1, 2007, and by an unspecified percent beginning on July 1, 2008, effective for services rendered on or after those dates.

Paragraph (b) lists the services for which the rate increases must be provided, including: the MR/RC waiver, CADI waiver, elderly waiver, CAC waiver, TBI waiver, nursing services and home health services, PCA services, private duty nursing services, DT&H services, alternative care services, adult residential program grants, adult and family community support grants, GRH supplementary service rate, adult mental health integrated fund grants, SILS, community support services for deaf and hard-of-hearing adults with mental illness, living skills training programs for persons with intractable epilepsy, physical therapy services, occupational therapy services, speech-language therapy services, respiratory therapy services, adult rehabilitative mental health services, children's therapeutic services and support services, and nursing facilities.

Paragraph (c) specifies what the rate increases apply to for services funded through MNDHO.

Paragraph (d) specifies how the increases must be provided by managed care plans that contract with the state to provide either MSHO or MNDHO.

Paragraph (e) requires managed care plans receiving state payments for the services listed to include these increases in their payments to providers on a prospective basis, except as provided in paragraph (d).

Paragraph (f) requires providers receiving rate increases to use an unspecified percent of the additional revenue to increase aggregate wages and benefits and pay associated costs for employees, except the administrator and management fees. Allows wage adjustments and other benefits eligible employees receive to vary based on merit, seniority, or other factors determined by the provider.

Paragraph (g) specifies how wage and benefit increases must be treated for public employees.

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Paragraph (h) requires counties to increase the budget for each recipient of consumer-directed community supports by the amounts specified in paragraph (a) on the effective dates in paragraph (a).

Paragraph (i) requires a copy of the provider's plan for complying with paragraph (f) to be made available to all employees. Allows employees who do not receive an adjustment to contact the employee's union representative. Allows employees not covered by a collective bargaining agreement to contact the commissioner at a telephone number provided by the commissioner and included in the provider's plan.

- 3** **Compliance with minimum wage.** Paragraph (a) requires the commissioner to provide an additional rate increase for overnight sleep staff employed by providers reimbursed under sections 1 and 2, who are paid minimum wage for periods when the federal minimum wage exceeds the Minnesota minimum wage. Specifies the rate increase.

Paragraph (b) requires eligible providers to submit an application to the commissioner documenting certain specified information. Requires the documentation to be submitted by eligible providers in a manner directed by the commissioner prior to the federal minimum wage effective dates in order to provide the rate increase in the first payment following the federal minimum wage increase.

Paragraph (c) limits the wage increase in this section to wages paid to overnight sleep staff paid the minimum wage.

- 4** **Appropriation.** Appropriates an unspecified amount from the general fund to the commissioner of human services for the biennium beginning July 1, 2007, for the purposes of sections 1 to 3.