

Paragraph (b) requires the commissioner to determine a value for an operating payment rate with a RUGS's index of 1.00, such that the cost to increase operating payment rates up to a certain threshold does not exceed the amount appropriated for this purpose.

Paragraph (c) requires the commissioner to identify all nursing facilities with operating payment rates with a RUGS's index equal to 1.00 on September 30, 2011, that are less than the value determined in paragraph (b).

Paragraph (d) requires the commissioner to provide each nursing facility identified in paragraph (c) with an increase in their operating payment rate up to a certain threshold.

Paragraph (e) requires the commissioner to apportion the amount of the rate adjustment computed in paragraph (d) between case mix and noncase mix per diems in proportion to the amounts in effect in each eligible facility on September 30, 2011. Requires the commissioner to multiply the case mix portion by the RUGS's indices and add the noncase mix portion to that product to determine the other RUGS's operating payment rates.

- 2 Appropriation.** Appropriates \$4.5 million in fiscal year 2012 and \$4.5 million in fiscal year 2013 from the general fund to the commissioner of human services to provide payment rate adjustments to low-payment rate nursing facilities.