

HOUSE RESEARCH

Bill Summary

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Subject: Modifies base wages and payment rates for certain services

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Overview

This bill modifies base wages under the disability waiver rate system for residential asleep-overnight staff and increases MA payment rates for Intermediate Care Facilities for Persons with Developmental Disabilities (ICF/DDs) to defray the costs of the minimum wage increase.

Section

- 1 **Base wage index and standard component values.** Amends § 256B.4914, subd. 5. Increases the base wage under the disability waiver rate system for residential asleep-overnight staff from \$7.66 per hour to either the Minnesota or federal minimum wage, whichever is higher. Requires the commissioner of human services to adjust service agreements to reflect any changes in the Minnesota or federal minimum wage within 12 months of the change.
- 2 **ICF/DD rate increase to defray minimum wage increases.** Amends § 256B.5012, by adding subd. 17. Effective August 1, 2015, paragraph (a) increases operating payment rates of qualifying ICF/DDs whenever a facility can demonstrate an increase in costs directly attributable to an increase in the minimum wage. Lists the costs directly attributable to a legally required increase in the minimum wage. Requires all increased revenue due to this increase to be used to increase compensation for minimum wage employees.

Paragraph (b) specifies the application process facilities must follow to receive the rate increase.

Paragraph (c) specifies the manner in which the commissioner must determine the rate increase for each facility.

Section

Paragraph (d) specifies how the rate increase must be applied to each facility.

Paragraph (e) makes the rate increase under this subdivision effective retroactively from the day the minimum wage increases.