

**Subject** Nursing home rates for construction projects; technical changes

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## Overview

This bill makes technical changes to provisions governing nursing home rates for construction projects approved as exceptions to the moratorium on nursing home construction.

## Summary

Section	Description
1	<b>Moratorium.</b> Amends § 144A.071, subd. 2. Provides that all construction projects approved by the commissioner of health under section 144A.073, subd. 3, after January 1, 2020, as exceptions to the moratorium on nursing home construction, are subject to the fair rental value property rate (as opposed to a historical property rate that would otherwise apply). Also changes paragraph lettering and clause and item numbering and makes conforming changes. This section is effective August 1, 2023.
2	<b>Amendments to approved project.</b> Amends § 144A.073, subd. 3b. Modifies criteria used by the commissioner of health to approve amendments to the design of construction projects that were previously approved as exceptions to the moratorium, to make the criteria conform with the fair rental value property rate system. Provides that reimbursement for amendments to approved projects is independent of actual construction costs and shall be based on the allowable appraised value of the completed project, and prohibits a project from being amended to reduce its scope. Removes obsolete dates. This section is effective August 1, 2023.
3	<b>Construction project rate adjustments effective October 1, 2026.</b> Amends § 256B.434, subd. 4f. Updates cross-references to conform with the technical changes to paragraph lettering and clause and item numbering in section 1.