

1.1 Senator moves to amend the delete-everything amendment (SCS2934A-1)
 1.2 to S.F. No. 2934 as follows:

1.3 Page 77, after line 18, insert:

1.4 "Sec. 7. Minnesota Statutes 2022, section 256B.431, subdivision 30, is amended to read:

1.5 Subd. 30. **Bed layaway and delicensure.** (a) For rate years beginning on or after July
 1.6 1, 2000, a nursing facility reimbursed under this section which has placed beds on layaway
 1.7 shall, for purposes of application of the downsizing incentive in subdivision 3a, paragraph
 1.8 (c), and calculation of the rental per diem, have those beds given the same effect as if the
 1.9 beds had been delicensed so long as the beds remain on layaway. ~~At the time of a layaway,~~
 1.10 ~~a facility may change its single bed election for use in calculating capacity days under~~
 1.11 ~~Minnesota Rules, part 9549.0060, subpart 11.~~ The property payment rate increase shall be
 1.12 effective the first day of the month of January or July, whichever occurs first following the
 1.13 date on which the layaway of the beds becomes effective under section 144A.071, subdivision
 1.14 4b.

1.15 (b) For rate years beginning on or after July 1, 2000, notwithstanding any provision to
 1.16 the contrary under section 256B.434 or chapter 256R, a nursing facility reimbursed under
 1.17 that section or chapter that has placed beds on layaway shall, for so long as the beds remain
 1.18 on layaway, be allowed to:

1.19 (1) aggregate the applicable investment per bed limits based on the number of beds
 1.20 licensed immediately prior to entering the alternative payment system; and

1.21 (2) ~~retain or change the facility's single bed election for use in calculating capacity days~~
 1.22 ~~under Minnesota Rules, part 9549.0060, subpart 11; and~~

1.23 ~~(3)~~ establish capacity days based on the number of beds immediately prior to the layaway
 1.24 and the number of beds after the layaway.

1.25 The commissioner shall increase the facility's property payment rate by the incremental
 1.26 increase in the rental per diem resulting from the recalculation of the facility's rental per
 1.27 diem applying only the changes resulting from the layaway of beds and clauses (1), (2), and
 1.28 (3). If a facility reimbursed under section 256B.434 or chapter 256R completes a moratorium
 1.29 exception project after its base year, the base year property rate shall be the moratorium
 1.30 project property rate. The base year rate shall be inflated by the factors in section 256B.434,
 1.31 subdivision 4, paragraph (c). The property payment rate increase shall be effective the first
 1.32 day of the month of January or July, whichever occurs first following the date on which the
 1.33 layaway of the beds becomes effective.

2.1 (c) If a nursing facility removes a bed from layaway status in accordance with section
2.2 144A.071, subdivision 4b, the commissioner shall establish capacity days based on the
2.3 number of licensed and certified beds in the facility not on layaway and shall reduce the
2.4 nursing facility's property payment rate in accordance with paragraph (b).

2.5 (d) For the rate years beginning on or after July 1, 2000, notwithstanding any provision
2.6 to the contrary under section 256B.434 or chapter 256R, a nursing facility reimbursed under
2.7 that section or chapter that has delicensed beds after July 1, 2000, by giving notice of the
2.8 delicensure to the commissioner of health according to the notice requirements in section
2.9 144A.071, subdivision 4b, shall be allowed to:

2.10 (1) aggregate the applicable investment per bed limits based on the number of beds
2.11 ~~licensed immediately prior to entering the alternative payment system; and~~

2.12 (2) ~~retain or change the facility's single bed election for use in calculating capacity days~~
2.13 ~~under Minnesota Rules, part 9549.0060, subpart 11; and~~

2.14 ~~(3)~~ establish capacity days based on the number of beds immediately prior to the
2.15 delicensure and the number of beds after the delicensure.

2.16 The commissioner shall increase the facility's property payment rate by the incremental
2.17 increase in the rental per diem resulting from the recalculation of the facility's rental per
2.18 diem applying only the changes resulting from the delicensure of beds and clauses (1), (2),
2.19 and (3). If a facility reimbursed under section 256B.434 completes a moratorium exception
2.20 project after its base year, the base year property rate shall be the moratorium project property
2.21 rate. The base year rate shall be inflated by the factors in section 256B.434, subdivision 4,
2.22 paragraph (c). The property payment rate increase shall be effective the first day of the
2.23 month of January or July, whichever occurs first following the date on which the delicensure
2.24 of the beds becomes effective.

2.25 (e) For nursing facilities reimbursed under this section, section 256B.434, or chapter
2.26 256R, any beds placed on layaway shall not be included in calculating facility occupancy
2.27 as it pertains to leave days defined in Minnesota Rules, part 9505.0415.

2.28 (f) For nursing facilities reimbursed under this section, section 256B.434, or chapter
2.29 256R, the rental rate calculated after placing beds on layaway may not be less than the rental
2.30 rate prior to placing beds on layaway.

2.31 (g) A nursing facility receiving a rate adjustment as a result of this section shall comply
2.32 with section 256R.06, subdivision 5.

3.1 (h) A facility that does not utilize the space made available as a result of bed layaway
3.2 or delicensure under this subdivision to reduce the number of beds per room or provide
3.3 more common space for nursing facility uses or perform other activities related to the
3.4 operation of the nursing facility shall have its property rate increase calculated under this
3.5 subdivision reduced by the ratio of the square footage made available that is not used for
3.6 these purposes to the total square footage made available as a result of bed layaway or
3.7 delicensure.

3.8 **EFFECTIVE DATE.** This section is effective January 1, 2024."

3.9 Page 81, after line 17, insert:

3.10 "Sec. 13. Minnesota Statutes 2022, section 256R.40, subdivision 2, is amended to read:

3.11 Subd. 2. **Applications for planned closure rate.** (a) Applications for a planned closure
3.12 rate adjustment received by the commissioner on or after January 1, 2024, shall only be
3.13 approved if the facility is closing 50 percent or more of their beds. To be considered for
3.14 approval of a planned closure, an application must include:

3.15 (1) a description of the proposed closure plan, which must include identification of the
3.16 facility or facilities to receive a planned closure rate adjustment;

3.17 (2) the proposed timetable for any proposed closure, including the proposed dates for
3.18 announcement to residents, commencement of closure, and completion of closure;

3.19 (3) if available, the proposed relocation plan for current residents of any facility
3.20 designated for closure. If a relocation plan is not available, the application must include a
3.21 statement agreeing to develop a relocation plan designed to comply with section 144A.161;

3.22 (4) ~~a description of the relationship between~~ documentation demonstrating that the
3.23 nursing facility that is proposed for closure and the nursing facility or facilities proposed
3.24 to receive the planned closure rate adjustment. ~~If these facilities are not under common~~
3.25 ~~ownership, copies of any contracts, purchase agreements, or other documents establishing~~
3.26 ~~a relationship or proposed relationship must be provided~~ are under common ownership; and

3.27 (5) documentation, in a format approved by the commissioner, that all the nursing
3.28 facilities receiving a planned closure rate adjustment under the plan have accepted joint and
3.29 several liability for recovery of overpayments under section 256B.0641, subdivision 2, for
3.30 the facilities designated for closure under the plan.

3.31 (b) The application must also address the criteria listed in subdivision 3.

3.32 **EFFECTIVE DATE.** This section is effective January 1, 2024.

4.1 Sec. 14. Minnesota Statutes 2022, section 256R.40, subdivision 6, is amended to read:

4.2 Subd. 6. **Assignment of closure rate to another facility.** A facility or facilities
4.3 reimbursed under this chapter with a closure plan approved by the commissioner under
4.4 subdivision 4 may assign a planned closure rate adjustment to another facility or facilities
4.5 under common ownership that are not closing or in the case of a partial closure, to the facility
4.6 undertaking the partial closure. A facility may also elect to have a planned closure rate
4.7 adjustment shared equally by the five nursing facilities with the lowest total operating
4.8 payment rates in the state development region designated under section 462.385, in which
4.9 the facility that is closing is located. The planned closure rate adjustment must be calculated
4.10 under subdivision 5. Facilities that delicense beds without a closure plan, or whose closure
4.11 plan is not approved by the commissioner, are not eligible to assign a planned closure rate
4.12 adjustment under subdivision 5, unless they: (1) are delicensing five or fewer beds, or less
4.13 than six percent of their total licensed bed capacity, whichever is greater; (2) are located in
4.14 a county in the top three quartiles of beds per 1,000 persons aged 65 or older; and (3) have
4.15 not delicensed beds in the prior three months. Facilities meeting these criteria are eligible
4.16 to assign the amount calculated under subdivision 5 to themselves. ~~If a facility is delicensing~~
4.17 ~~the greater of six or more beds, or six percent or more of its total licensed bed capacity, and~~
4.18 ~~does not have an approved closure plan or is not eligible for the adjustment under subdivision~~
4.19 ~~5, the commissioner shall calculate the amount the facility would have been eligible to~~
4.20 ~~assign under subdivision 5, and shall use this amount to provide equal rate adjustments to~~
4.21 ~~the five nursing facilities with the lowest total operating payment rates in the state~~
4.22 ~~development region designated under section 462.385, in which the facility that delicensed~~
4.23 ~~beds is located.~~

4.24 **EFFECTIVE DATE.** This section is effective January 1, 2024."

4.25 Page 105, delete section 52 and insert:

4.26 "Sec. 52. **REPEALER.**

4.27 (a) Minnesota Statutes 2022, section 256B.0917, subdivisions 1a, 6, 7a, and 13, are
4.28 repealed.

4.29 (b) Minnesota Statutes 2022, sections 256R.41; and 256S.19, subdivision 4, are repealed.

4.30 **EFFECTIVE DATE.** Paragraph (a) is effective July 1, 2023. Paragraph (b) is effective
4.31 January 1, 2024."

4.32 Renumber the sections in sequence