

Senator moves to amend the delete-everything amendment (SCS2374A-4) to S.F. No. 2374 as follows:

Page 187, after line 5, insert:

"Sec. 13. [256B.1975] DIRECTED PAYMENT ARRANGEMENTS; PRIVATE HOSPITALS.

Subdivision 1. Definition. For the purposes of this section, "billing professionals" means physicians, nurse practitioners, nurse midwives, clinical nurse specialists, physician assistants, anesthesiologists, and certified registered nurse anesthetists, and may include dentists, individually enrolled dental hygienists, and dental therapists.

Subd. 2. Directed payment arrangements for private hospitals. The commissioner must develop and implement beginning January 1, 2026, a voluntary program to increase medical assistance funding for the eligible provider through a directed payment arrangement.

Subd. 3. Eligible provider. The eligible provider under this section is a private, nonprofit acute care hospital located in Hennepin County designated by the commissioner of health as a level I trauma hospital according to section 144.605, subdivision 3, and providing statewide ground and air emergency medical transportation services, and all of such hospital's owned or affiliated billing professionals, ambulance services, sites, and clinics.

Subd. 4. Arrangement requirements. (a) In developing the voluntary program, the commissioner must create a directed payment, as allowed under Code of Federal Regulations, title 42, section 438.6, utilizing an intergovernmental transfer as allowed under Code of Federal Regulations, title 42, section 433.51.

(b) The program must supplement, and not supplant or replace, any existing medical assistance funding provided to the eligible provider.

(c) Managed care plans and county-based purchasing plans must pay the directed payment under this section to the eligible provider. If, for any contract year, federal approval is not received for the directed payment arrangement, the commissioner must adjust the capitation rates paid to managed care plans and county-based purchasing plans for that contract year. Contracts between the eligible provider and managed care plans and county-based purchasing plans must allow recovery of payments from the eligible provider if capitation rates are adjusted in accordance with this paragraph. Payment recoveries must not exceed the amount equal to any change in rates that results from this paragraph.

Subd. 5. State quality goals. The directed payment arrangement must align with state quality goals for medical assistance patients, including those with higher levels of social

and clinical risk, people with limited English proficiency, adults with serious chronic conditions, and individuals of color. The directed payment arrangement will be aimed at maintaining quality and access to the full range of health care delivery mechanisms for these patients that may include behavioral health, emergent care, preventive care, hospitalization, transportation, interpreter services, and pharmaceutical services. The commissioner, in consultation with the eligible provider, shall submit to the Centers for Medicare and Medicaid Services a methodology to measure access to care and the achievement of state quality goals.

Subd. 6. **Federal approval.** The commissioner must implement the program beginning January 1, 2026, and maintain the directed payment arrangement thereafter, unless annual federal approval has not been received.

Subd. 7. **Change of control.** The intergovernmental transfer that funds the nonfederal share of the directed payment arrangement ends if the ownership, corporate governance structure, or majority control of either hospital operated by the eligible provider is sold or transferred to an entity that is organized for profit. The eligible provider shall provide notice to the commissioner of a sale or transfer described in this subdivision at least 90 days in advance of the sale or transfer.

EFFECTIVE DATE. This section is effective the day following final enactment."

Page 197, after line 13, insert:

"Sec. 26. Minnesota Statutes 2024, section 473.756, is amended by adding a subdivision to read:

Subd. 15. **Authority deemed qualifying government.** The authority shall be deemed a qualifying government for purposes of section 118A.09, subdivision 1. Whenever the authority's investments are managed by the county, the authority's additional long-term equity investment limitations as provided in section 118A.09, subdivision 3, are calculated based on the county's most recent audited statement of net position instead of the authority's most recent audited statement of net position.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 27. Minnesota Statutes 2024, section 473.757, subdivision 1, is amended to read:

Subdivision 1. **Ballpark grants.** The county may authorize, by resolution, and make one or more grants to the authority for ballpark development and construction, public infrastructure, capital improvement of the ballpark or public infrastructure within the

development area, reserves for capital improvements, and other purposes related to the ballpark on the terms and conditions agreed to by the county and the authority.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 28. Minnesota Statutes 2024, section 473.757, is amended by adding a subdivision to read:

Subd. 1a. Hennepin County health care facilities. (a) To the extent funds are available from collections of the tax authorized by subdivision 10 after payment each year of debt service on the bonds authorized and issued under subdivision 9, paragraph (a), and payments for the purposes described in subdivisions 1 and 2:

(1) subject to paragraphs (b), (c), and (d), the county shall distribute 50 percent to fund the intergovernmental transfer that funds the nonfederal share of the directed payment arrangement as described in section 256B.1975, or, if federal approval is not received for the directed payment arrangement, to support the provision of medical care to the indigent of the county by the eligible provider as defined in section 256B.1975, subdivision 3. If federal approval is received for the directed payment arrangement, but the 50 percent exceeds the necessary nonfederal share for the directed payment arrangement, the county shall distribute the first part of the 50 percent to fund the intergovernmental transfer that funds the necessary nonfederal share and shall distribute the remainder of the 50 percent to support the provision of medical care to the indigent of the county by the eligible provider; and

(2) the county may authorize 50 percent, by resolution, appropriations to fund:

(i) the development, construction, improvement, and equipping of county-owned or operated health care facilities;

(ii) public infrastructure determined by the county to facilitate the development and use of facilities described in item (i);

(iii) reserves for county-owned or operated health care facilities capital improvements;

(iv) uncompensated or undercompensated care provided in county-owned or operated health care facilities; and

(v) other purposes related to county-owned or operated health care facilities.

(b) If the ownership, corporate governance structure, or majority control of either hospital operated by the eligible provider is sold or transferred to an entity that is organized for profit, the county need not distribute any funds under paragraph (a), clause (1), and the county may distribute all funds under paragraph (a), clause (1), for the purposes described

4.1 in paragraph (a), clause (2). The eligible provider shall provide notice to the county of a
4.2 proposed sale or transfer to an entity that is organized for profit at least 90 days in advance
4.3 of the sale or transfer.

4.4 (c) If federal approval is not received for the directed payment arrangement, then the
4.5 eligible provider must maintain threshold service levels to the indigent of the county in
4.6 order to receive funding under paragraph (a), clause (1). "Threshold service levels to the
4.7 indigent of the county" means at least 125,000 total annual claims by the hospitals operated
4.8 by the eligible provider for patients who are uninsured, Medicare- or Medicaid-eligible,
4.9 MinnesotaCare enrollees, or otherwise indigent. The county and eligible provider may, by
4.10 mutual agreement, modify the threshold service levels to the indigent of the county. If the
4.11 eligible provider does not meet the applicable threshold service level, the eligible provider
4.12 will notify the county immediately. If the eligible provider does not alter its operations so
4.13 that it meets the applicable threshold service level within 90 days, the county need not
4.14 distribute any funds to the eligible provider under paragraph (a), clause (1), and the county
4.15 may distribute the funds that would have otherwise been distributed under paragraph (a),
4.16 clause (1), for the purposes described in paragraph (a), clause (2).

4.17 (d) The county shall not be required to pay any amount hereunder to the eligible provider
4.18 or to fund the intergovernmental transfer that funds the nonfederal share of the directed
4.19 payment arrangement as described in section 256B.1975 prior to the time the county is in
4.20 possession of funds from the collections of the tax authorized by subdivision 10 or by using
4.21 funds other than those available under paragraph (a), clause (1).

4.22 **EFFECTIVE DATE.** This section is effective the day following final enactment.

4.23 Sec. 29. Minnesota Statutes 2024, section 473.757, subdivision 2, is amended to read:

4.24 Subd. 2. **Youth sports; library.** To the extent funds are available from collections of
4.25 the tax authorized by subdivision 10 after payment each year of debt service on the bonds
4.26 authorized and issued under subdivision 9, paragraph (a), and payments for the purposes
4.27 described in subdivision 1, the county may also authorize, by resolution, ~~and expend or~~
4.28 ~~make~~ grants to the authority and to other governmental units and nonprofit organizations
4.29 in an aggregate amount of up to ~~\$4,000,000~~ \$5,000,000 annually, increased by up to 1.5
4.30 percent annually to fund equally: (1) youth activities and youth and amateur sports within
4.31 Hennepin County; and (2) the cost of extending the hours of operation of Hennepin County
4.32 libraries ~~and Minneapolis public libraries~~. Funds authorized pursuant to this paragraph may
4.33 be expended consistent with the terms of each grant.

The money provided under this subdivision is intended to supplement and not supplant county expenditures for these purposes as of May 27, 2006.

Hennepin County must provide reports to the chairs of the committees and budget divisions in the senate and the house of representatives that have jurisdiction over education policy and funding, describing the uses of the money provided under this subdivision. The first report must be made by January 15, 2009, and subsequent reports must be made on January 15 of each subsequent odd-numbered year.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 30. Minnesota Statutes 2024, section 473.757, subdivision 3, is amended to read:

Subd. 3. **Initial expenditure limitations.** The amount that the county may grant or expend for ballpark costs shall not exceed \$260,000,000. ~~The amount of any grant for capital improvement reserves shall not exceed \$1,000,000 annually, subject to the agreement under section 473.759, subdivision 3, and to annual increases according to an inflation index acceptable to the county.~~ The amount of grants or expenditures for land, site improvements, and public infrastructure shall not exceed \$90,000,000, excluding capital improvement reserves, bond reserves, capitalized interest, and financing costs. The authority to spend money for land, site improvements, and public infrastructure is limited to payment of amounts incurred or for construction contracts entered into during the period ending five years after the date of the issuance of the initial series of bonds under Laws 2006, chapter 257. Such grant agreements are valid and enforceable notwithstanding that they involve payments in future years and they do not constitute a debt of the county within the meaning of any constitutional or statutory limitation or for which a referendum is required.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 31. Minnesota Statutes 2024, section 473.757, is amended by adding a subdivision to read:

Subd. 3a. **Capital improvement grants.** Notwithstanding the limitations in subdivision 3, the county may make grants to the authority for capital improvement expenditures. The amount of any grant to the authority for capital improvement expenditures must not exceed \$9,000,000 annually. The grants are subject to agreement under section 473.759, subdivision 3, and to annual increases according to an inflation index acceptable to the county. Grant agreements are valid and enforceable notwithstanding the fact that they involve payments in future years. The grants do not constitute a debt of the county within the meaning of any constitutional or statutory limitation or for which a referendum is required.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 32. Minnesota Statutes 2024, section 473.757, subdivision 4, is amended to read:

Subd. 4. **Property acquisition and disposition.** (a) The county may acquire by purchase, eminent domain, or gift, land, air rights, and other property interests within the development area for the ballpark site and public infrastructure and convey it to the authority with or without consideration, prepare a site for development as a ballpark, and acquire and construct any related public infrastructure. The purchase of property and development of public infrastructure financed with revenues under this section is limited to infrastructure within the development area or within 1,000 feet of the border of the development area. The public infrastructure may include the construction and operation of parking facilities within the development area notwithstanding any law imposing limits on county parking facilities in the city of Minneapolis. The county may acquire and construct property, facilities, and improvements within the stated geographical limits for the purpose of drainage and environmental remediation for property within the development area, walkways and a pedestrian bridge to link the ballpark to Third Avenue distributor ramps, street and road improvements and access easements for the purpose of providing access to the ballpark, streetscapes, connections to transit facilities and bicycle trails, and any utility modifications which are incidental to any utility modifications within the development area.

(b) The county or any of its subsidiaries may acquire by purchase, eminent domain, or gift, land, air rights, and other property interests within the county for health care facilities and related infrastructure.

(c) To the extent property parcels or interests acquired are more extensive than the public infrastructure requirements, the county may sell or otherwise dispose of the excess. The proceeds from sales of excess property must be deposited in the debt service reserve fund.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 33. Minnesota Statutes 2024, section 473.757, subdivision 7, is amended to read:

Subd. 7. **Local government expenditures.** The county may make expenditures or grants for other costs incidental and necessary to further the purposes of Laws 2006, chapter 257, and this act, and may by agreement, reimburse in whole or in part, any entity that has granted, loaned, or advanced funds to the county to further the purposes of Laws 2006, chapter 257, and this act. The county shall reimburse a local governmental entity within its jurisdiction or make a grant to such a governmental unit for site acquisition, preparation of the site for ballpark development, and public infrastructure. Amounts expended by a local governmental

unit with the proceeds of a grant or under an agreement that provides for reimbursement by the county shall not be deemed an expenditure or other use of local governmental resources by the governmental unit within the meaning of any law or charter limitation. Exercise by the county of its powers under this section shall not affect the amounts that the county is otherwise eligible to spend, borrow, tax, or receive under any law.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 34. Minnesota Statutes 2024, section 473.757, subdivision 8, is amended to read:

Subd. 8. **County authority.** It is the intent of the legislature that, except as expressly limited herein, the county has the authority to acquire and develop a site for the ballpark and public infrastructure, to enter into contracts with the authority and other governmental or nongovernmental entities, to appropriate funds, to fund capital reserves and make capital improvements, and to make employees, consultants, and other revenues available for those purposes.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 35. Minnesota Statutes 2024, section 473.757, subdivision 9, is amended to read:

Subd. 9. **County revenue bonds.** (a) The county may, by resolution, authorize, sell, and issue revenue bonds to provide funds to make a grant or grants to the authority and to finance all or a portion of the costs of site acquisition, site improvements, and other activities necessary to prepare a site for development of a ballpark, to construct, improve, and maintain the ballpark and to establish and fund any capital improvement reserves, and to acquire and construct any related parking facilities and other public infrastructure and for other costs incidental and necessary to further the purposes of Laws 2006, chapter 257. The county may also, by resolution, issue bonds to refund the bonds issued pursuant to this section. The bonds must be limited obligations, payable solely from or secured by taxes levied under subdivision 10, and any other revenues to become available under Laws 2006, chapter 257. The bonds may be issued in one or more series and sold without an election. The bonds shall be sold in the manner provided by section 475.60. The bonds shall be secured, bear the interest rate or rates or a variable rate, have the rank or priority, be executed in the manner, be payable in the manner, mature, and be subject to the defaults, redemptions, repurchases, tender options, or other terms, as the county may determine. The county may enter into and perform all contracts deemed necessary or desirable by it to issue and secure the bonds, including an indenture of trust with a trustee within or without the state. The debt represented by the bonds shall not be included in computing any debt limitation applicable

to the county. Subject to this subdivision, the bonds must be issued and sold in the manner provided in chapter 475. The bonds shall recite that they are issued under Laws 2006, chapter 257, and the recital shall be conclusive as to the validity of the bonds and the imposition and pledge of the taxes levied for their payment. In anticipation of the issuance of the bonds authorized under this subdivision and the collection of taxes levied under subdivision 10, the county may provide funds for the purposes authorized by Laws 2006, chapter 257, through temporary interfund loans from other available funds of the county which shall be repaid with interest.

(b) The county may, by resolution, authorize, sell, and issue revenue bonds to provide funds to finance all or a portion of the costs of county-owned or operated health care facilities, including but not limited to site acquisition, site improvements, and other activities necessary to prepare a site for development of health care facilities, and construct, maintain, and improve health care facilities and to establish and fund any capital improvement reserves, and to acquire and construct any related parking facilities and related infrastructure and for other costs incidental and necessary to further the purposes of this act. The county may also, by resolution, issue bonds to refund the bonds issued pursuant to this section. The bonds may be limited obligations, payable solely from or secured by taxes levied under subdivision 10, and any other revenues to become available under this act, and the county may also pledge its full faith, credit, and taxing power as additional security for the bonds. The bonds may be issued in one or more series and sold without an election. The bonds shall be sold in the manner provided by section 475.60. The bonds shall be secured, bear the interest rate or rates or a variable rate, have the rank or priority, be executed in the manner, be payable in the manner, mature, and be subject to the defaults, redemptions, repurchases, tender options, or other terms, as the county may determine. The county may enter into and perform all contracts deemed necessary or desirable by it to issue and secure the bonds, including an indenture of trust with a trustee within or without the state. The debt represented by the bonds shall not be included in computing any debt limitation applicable to the county. Subject to this subdivision, the bonds must be issued and sold in the manner provided in chapter 475. The bonds shall recite that they are issued under this act, and the recital shall be conclusive as to the validity of the bonds and the imposition and pledge of the taxes levied for their payment. In anticipation of the issuance of the bonds authorized under this subdivision and the collection of taxes levied under subdivision 10, the county may provide funds for the purposes authorized by this act, through temporary interfund loans from other available funds of the county which shall be repaid with interest.

EFFECTIVE DATE. This section is effective the day following final enactment.

9.1 Sec. 36. Minnesota Statutes 2024, section 473.757, subdivision 11, is amended to read:

9.2 Subd. 11. **Uses of tax.** (a) Revenues received from the tax imposed under subdivision
9.3 10 may be used:

9.4 (1) to pay costs of collection;

9.5 (2) to pay or reimburse or secure the payment of any principal of, premium, or interest
9.6 on bonds issued in accordance with Laws 2006, chapter 257, section 12, and this act;

9.7 (3) to pay costs and make expenditures and grants described in ~~this section~~ subdivisions
9.8 1 and 1a, including financing costs related to them;

9.9 (4) to maintain reserves for the foregoing purposes deemed reasonable and appropriate
9.10 by the county;

9.11 (5) to pay for operating costs of the ballpark authority other than the cost of operating
9.12 or maintaining the ballpark; and

9.13 (6) to make expenditures and grants for youth activities and amateur sports and extension
9.14 of library hours as described in subdivision 2;

9.15 and for no other purpose.

9.16 (b) Revenues from the tax designated for use under paragraph (a), clause (5), must be
9.17 deposited in the operating fund of the ballpark authority.

9.18 (c) After completion of the ballpark and public infrastructure, the tax revenues not
9.19 required for current payments of the expenditures described in paragraph (a), clauses (1) to
9.20 (6), shall be used to (i) redeem or defease the bonds and (ii) prepay or establish a fund for
9.21 payment of future obligations under grants or other commitments for future expenditures
9.22 which are permitted by this section. Upon the redemption or defeasance of the bonds and
9.23 the establishment of reserves adequate to meet such future obligations, the taxes shall
9.24 terminate and shall not be reimposed. For purposes of this subdivision, "reserves adequate
9.25 to meet such future obligations" means a reserve that does not exceed the net present value
9.26 of the county's obligation to make grants under paragraph (a), clauses (5) and (6), and to
9.27 fund the reserve for capital improvements required under section 473.759, subdivision 3,
9.28 for the later of (i) the 30-year period beginning on the date of the original issuance of the
9.29 bonds, the latest-issued series of bonds issued pursuant to subdivision 9, less those obligations
9.30 that the county has already paid, or (ii) the period extending through the final term of the
9.31 agreement in section 473.759, subdivision 4, as the agreement may be modified or extended
9.32 from time to time.

10.1 **EFFECTIVE DATE.** This section is effective the day following final enactment.

10.2 Sec. 37. Minnesota Statutes 2024, section 473.759, subdivision 3, is amended to read:

10.3 Subd. 3. **Reserve for capital improvements.** The authority shall require that a reserve
10.4 fund for capital improvements to the ballpark be established and funded with annual payments
10.5 of ~~\$2,000,000~~ \$13,500,000, with the team's share of those payments to be approximately
10.6 ~~\$1,000,000~~ \$4,500,000, as determined by agreement of the team and county. The annual
10.7 payments shall increase according to an inflation index determined by the authority, ~~provided~~
10.8 ~~that any portion of the team's contribution that has already been reduced to present value~~
10.9 ~~shall not increase according to an inflation index~~ county. The authority may accept
10.10 contributions from the county or other source for the portion of the funding not required to
10.11 be provided by the team.

10.12 **EFFECTIVE DATE.** This section is effective the day following final enactment."

10.13 Page 202, delete section 35

10.14 Page 205, after line 23, insert:

10.15 "Sec. 52. **FEDERAL APPROVAL FOR PRIVATE HOSPITAL DIRECTED**
10.16 **PAYMENT ARRANGEMENT.**

10.17 The commissioner of human services shall seek federal approval to establish a directed
10.18 payment arrangement as provided under Minnesota Statutes, section 256B.1975, for a
10.19 private, nonprofit hospital meeting the criteria in Minnesota Statutes, section 256B.1975,
10.20 subdivision 3, and all of such hospital's owned or affiliated billing professionals, ambulance
10.21 services, sites, and clinics."

10.22 Renumber the sections in sequence and correct the internal references

10.23 Amend the title accordingly