

# HOUSE RESEARCH

## Bill Summary

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**Subject:** PERA Costs for Nursing Facility in Sibley County

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### Overview

This bill allows pension costs for a nursing facility in Sibley County to be treated as PERA contributions. When a facility converts from government to private sector control, PERA contributions are no longer made and a facility incurs new pension benefit costs that are not automatically recognized under the alternative payment system (APS). In general, the APS recognizes only those operating costs that a facility paid at the time of signing the APS contract, plus any inflation adjustments provided by the legislature. This bill would allow these non-PERA pension costs to be recognized in the facility's payment rate as if they were PERA contributions.

#### Section

- 1 Nursing facility rate increases beginning July 1, 1999 , and July 1, 2000 .** Amends § 256B.431, subd. 28. For rate years beginning on or after October 1, 2008 , provides that pension benefit costs for a 54 bed nursing facility in Sibley County shall be treated as Public Employees Retirement Association (PERA) contributions for purposes of computing payment rates.