

**SENATE
STATE OF MINNESOTA
NINETY-THIRD SESSION**

S.F. No. 2885

(SENATE AUTHORS: MORRISON)

DATE
03/14/2023

D-PG

Introduction and first reading
Referred to Health and Human Services

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to human services; establishing temporary funding for settings that receive
1.3 high-acuity patients discharged from hospitals; establishing grants to reimburse
1.4 hospitals for avoidable nonacute patient days; appropriating money.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. **PARTIAL REIMBURSEMENT TO HOSPITALS FOR AVOIDABLE**
1.7 **NONACUTE PATIENT DAYS.**

1.8 (a) Beginning July 1, 2023, the commissioner of human services shall make payments
1.9 to hospitals as partial reimbursement for qualifying avoidable patient days. The commissioner
1.10 shall make payments of up to \$1,400 per resident per qualifying avoidable day. A qualifying
1.11 avoidable day is either (1) any day a high-acuity patient was boarded in an emergency
1.12 department because the patient did not meet the applicable admission criteria and the hospital
1.13 could not identify a setting to which the patient could be safely released, or (2) every day
1.14 in excess of the seventh consecutive day on which a high-acuity patient was eligible for
1.15 discharge from the hospital, but the hospital could not identify any setting to which the
1.16 patient could be safely discharged. For the purposes of this section, "high-acuity patient"
1.17 means a hospital patient with obesity, a disability, a need for wound care, a mental illness,
1.18 high behavior needs, or a substance use disorder or who is receiving intravenous medication
1.19 or requires dialysis.

1.20 (b) By June 15, 2023, hospitals must submit to the commissioner of human services the
1.21 total number of qualifying avoidable patient days between January 1, 2023, and March 31,
1.22 2023. The commissioner shall make a payment of no more than \$1,400 per submitted
1.23 qualifying avoidable patient day. To determine the payment amount for each qualifying

2.1 avoidable patient day, the commissioner must divide the appropriation available for this
2.2 purpose by the number of submitted avoidable patient days. If a portion of the available
2.3 appropriation remains after all payments have been made based on the initial submission
2.4 of qualifying avoidable patient days, the commissioner must solicit the submission of
2.5 additional qualifying avoidable patient days from April 1, 2023, to a date to be determined
2.6 by the commissioner that the commissioner estimates will result in the complete expenditure
2.7 of the available appropriation after making payments that closely approximate the amount
2.8 of the original round of payments.

2.9 (c) When making payments under this section, the commissioner must not consider the
2.10 source of reimbursement for the services provided to the high-acuity patient.

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

2.12 **Sec. 2. SUPPLEMENTAL PAYMENTS TO SETTINGS RECEIVING**
2.13 **HIGH-ACUITY HOSPITAL DISCHARGES.**

2.14 (a) Beginning July 1, 2023, the commissioner of human services shall make payments
2.15 of \$150 per resident per day to nursing facilities, assisted living facilities, and other
2.16 community-based settings that accept high-acuity patients discharged directly from a hospital.
2.17 From the appropriations made available for this purpose, the commissioner must guarantee
2.18 the continuation of payments for each resident under this section for at least 365 days, until
2.19 the resident ceases to receive services at the receiving facility or community-based setting,
2.20 or the resident is no longer a high-acuity patient. For the purposes of this section, "high-acuity
2.21 patient" means a hospital patient or former hospital patient with obesity, a disability, a need
2.22 for wound care, a mental illness, high behavior needs, or a substance use disorder or who
2.23 is receiving intravenous medication or requires dialysis. When distributing supplemental
2.24 payments under this section, the commissioner must not consider the source of reimbursement
2.25 for the services provided to the high-acuity patients in the receiving setting.

2.26 (b) A nursing facility, assisted living facility, or other community-based setting that
2.27 receives a supplemental payment under this section must use the supplemental payments
2.28 for wages or equipment required to provide direct care to the high-acuity patient.

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

3.1 Sec. 3. **APPROPRIATION; PARTIAL REIMBURSEMENT TO HOSPITALS FOR**
3.2 **AVOIDABLE NONACUTE PATIENT DAYS.**

3.3 \$60,000,000 in fiscal year 2024 is appropriated from the general fund to the commissioner
3.4 of human services for payments to hospitals as partial reimbursement for avoidable nonacute
3.5 patient days.

3.6 Sec. 4. **APPROPRIATION; SUPPLEMENTAL PAYMENTS TO SETTINGS**
3.7 **RECEIVING HIGH-ACUITY HOSPITAL DISCHARGES.**

3.8 \$82,000,000 in fiscal year 2024 and \$82,000,000 in fiscal year 2025 are appropriated
3.9 from the general fund to the commissioner of human services for supplemental payments
3.10 to receiving settings for high-acuity hospital discharges. This is a onetime appropriation.