

Minutes: NHWSB Data Workgroup

Date: Thursday, July 10, 2025

Minutes prepared by: Linnea Becerra

Location: Hybrid – Isanti Room at the Department of Labor and Industry and via Webex

Attendance

Members present	Visitors present	DLI staff members present
Kim Brenne	Todd Bergstrom	Linnea Becerra
Michele Fredrickson (remotely)	Jeff Bostic	Paul Enger (remotely)
Paula Rocheleau	Brian Elliott	Ken McGurran
	Jane Gottwald (remotely)	Leah Solo
	Jessie Moggach (remotely)	

Agenda items

1. **Call to order** – the meeting was called to order by Executive Director Leah Solo at 9:03 a.m. Roll call was taken. A quorum was declared.
2. **Approval of agenda** – a motion to approve the agenda as presented was made by Paula Rocheleau and seconded by Kim Brenne. A roll call vote was taken and the motion passed unanimously.
3. **Approval of drafted meeting minutes** – a motion to approve the May 1, 2025, drafted meeting minutes as presented was made by Rocheleau and seconded by Brenne. A roll call vote was taken and the motion passed unanimously.
4. **Board updates** –
 - Todd Bergstrom and Jeff Bostic walked through the presentation of a detailed cost report. Discussion included the use of cost reports for rate setting, the influence on nursing home payments and an overview of the Medicaid payment system and annual rate setting. There was discussion about the transparency and auditing of the cost reports – breakdown of care-related rates, other operating rate, external fixed costs and property rates. Bergstrom discussed the reported costs by line item, broken down by category. There was discussion of the impact of cost reporting on rate setting and the challenges faced by facilities. Bergstrom discussed direct care cost per diem and other care related cost per diem. The transition to RUGs-IV to PDPM was discussed and its implications for rate setting. Bergstrom explained tracking changes in acuity and the impact on payment rates. Michele Fredrickson asked about when the acuity changes and is there a time frame when the change in acuity would need to be reported? Bergstrom said every quarter a resident is reassessed and, if their needs change, then so do their rates. The new VBR quality scoring system was reviewed; it is composed of long-stay residents and short-stay residents to make a total quality score. The group went over the other operating costs per diem and how there is an incentive to keep these costs as lean as possible. Bergstrom also highlighted external fixed costs. He showed the employees and hours section of the cost report and highlighted the small section about employee

insurance. Limitations of the data were also discussed, as well as the process by which the data from cost reports becomes rates and how the rates are used to reimburse nursing homes on a monthly basis.

- Bergstrom showed the decreases in cost report days and accompanying increases in factors in the costs from 2018 through 2021. The group discussed the decline in census and its relationship to the rate increases for years 2020 through 2023. The group also discussed the need for staff members to accept more residents, as well as demographic changes in Minnesota that may or may not affect the nursing home census.
- There was discussion about the implications of the CPI-U cap and the need for additional cost management strategies, as well as the rate add on for Nursing Home Workforce Standards Board standards.
- Solo asked the members where they would like the discussion to go next. Rocheleau reminded the members they are collecting data to see if the standards are improving the welfare of nursing home workers. Bostic pointed out the rate add-on for the minimum-wage standards going into effect in 2026 can give the group some data about people earning below the minimum wage set by the board. There was discussion about the application for the rate add-on.

5. New business –

6. Next meeting – the next meeting is Aug. 28, 2025, at 1 p.m., in the Washington Room.

Adjournment

A motion was made by Brenne to adjourn the meeting at 10:10 a.m. and was seconded by Rocheleau. A roll call vote was taken and the motion passed unanimously.