

Instructions for minimum-wage costs workbook

To share the cost of implementing the minimum-wage standards for your facility with the board, you have two options.

1. Submit the **“Employee Payroll Input”** and **“Contracted Staff Payroll Input”** sheets from the document **“2026 WSB Rate Adjustment Application”** that was part of your facility’s application for the rate add-on from the Minnesota Department of Human Services (DHS), ensuring the column for **“Total annual cost of wage increase included in the rate adjustment”** is complete. If you do this, redact **“employee, first name”** and **“employee, last name”** on both sheets.
2. Submit the provided workbook as instructed below.

The provided workbook has three sheets: **“Facility Info Input,” “Employee Payroll Input”** and **“Contracted Staff Payroll Input.”**

Facility Info Input worksheet

The **“Facility Info Input”** worksheet must be completed by all facilities. This worksheet contains two sections: *Section 1 – General Information; and Section 2 – Allocation Table for Shared Staff or Hospital-Attached.*

Section 1 – General Information

- **Enter DHS Facility IID#:** In the blue-shaded cell, enter the four- or five-digit DHS issued IID number for the facility.
- **Facility Name:** This will auto-fill based on the facility IID number entered.
- **Name of Facility Contact:** In the blue-shaded cell, enter the workbook preparer or other facility contact who can answer questions related to the completed workbook.
- **Email Address of Contact:** In the blue-shaded cell, enter the workbook preparer’s or other facility contact’s email address.
- **Facility Type:** This will auto-fill based on the facility IID number entered.
- **Taxes & Benefits % of Total Salaries:** This table will auto-fill based on the facility IID number entered. Cost data from the Sept. 30, 2024, cost report is used to calculate each facility’s percentage for Federal Unemployment Tax Act (FUTA)/ State Unemployment Tax Act (SUTA) and workers’ compensation insurance. Federal Insurance Contribution Act (FICA) is set at a flat rate of 7.65%. If a facility is hospital-attached, the percentage for FUTA/SUTA and workers’ compensation insurance is based on the average percentage computed for all non-hospital-attached facilities with reported costs. These percentages will be applied to wage costs entered on the **“Employee Payroll Input”** worksheet.

Section 2 – Allocation Table for Shared Staff or Hospital-Attached

Facilities that share staff members with non-nursing home operations and all hospital-attached facilities must indicate **“Yes”** and complete this section.

- **Does the facility allocate shared staff between the nursing facility and another operation or does the facility have allocated departments based on a hospital step-down? Choose “Yes” or “No” from the drop- down menu in the blue-shaded cell.**
 - If **“Yes”** and the costs of the shared department are allocated on the 2024 cost report using a statistical basis (meals served or square feet), the facility must complete the allocation table for those departments.

- If “Yes” and the costs of the shared department are directly assigned or only some individual salaries are allocated on the 2024 cost report using a statistical basis, then the facility should not use the table and, instead, should include an explanation of the allocation methods used in the blue-shaded box provided at the bottom of Section 2.
- When the allocation table is completed, it will be used to determine the portion of the total nursing facility compensated salaries and hours for shared departments entered in the “**Employee Payroll Input**” worksheet of the workbook. Payroll data entered on the “**Employee Payroll Input**” worksheet for shared staff members should include the non-nursing facility salaries and hours because they will be adjusted to reflect the allowable nursing home portion.
- If the facility cannot complete the table because the costs are directly assigned or not all department employees are shared, then the payroll data entered on the “**Employee Payroll Input**” worksheet for shared staff should not include non-nursing facility salaries or hours.
- In addition, the facility must submit the allocation calculation showing how the facility determined the compensated hours to enter for shared staff.
- **Allocation Method:** In the “**Allocation Method**” column, choose the Medicare-allowable method for allocating the applicable department listed in the “**Department**” column of the table. For example, if the facility’s maintenance department is allocated based on square feet, choose “**Square Feet**” from the drop- down menu in the blue-shaded cell next to “**Maintenance**” in the “**Allocation Method**” column.
- **Nursing Facility Percent from 2024 Cost Report:** In the “**Nursing Facility Percent from 2024 Cost Report**” column, enter in the blue-shaded cells the percentage to be allocated to the nursing facility for the applicable department listed in the “**Department**” column of the table. The amount entered should be based on data or statistics from the facility’s Sept. 30, 2024, cost report or 2024 Medicare step-down. For example, if the facility’s maintenance department is allocated based on square feet, and the square feet of the nursing facility on the 2024 cost report is 35,000, while the total square feet for all buildings being allocated is 150,000, the nursing facility percentage that should be entered in this column is 23.33%. Ensure the correct nursing facility percentage is entered in this column. This column is formatted to percentage in Excel, so if .25 is entered, Excel will assume this equals 25%. However, if the amount that should be entered is 0.25%, then the zero must be typed for Excel to calculate the amount as 0.25%, instead of 25%.
- **Medicare-allowable Allocation Methods by Department (for reference in completing Section 2):**

Number	Allocation Method Descriptor
1	Patient/Resident Days
2	Meals Served
3	Time Studies
4	Pounds of Laundry
5	Square Footage
6	Expense (accumulated costs)
7	No allocation or direct ID
8	Other - Needs DHS approval
9	Nursing FTE's

Cost Category	Allowed Allocation Method
Nursing	3,7,8
Nursing Admin	1,3,7,8,9
Social Services	1,3,7,8
Activities	1,3,7,8
Other Care Related	1,3,7,8
Dietary	2
Laundry & Linen	1,4,7
Housekeeping	3,5,7
Plant & Maintenance	5,7
Real Estate Taxes	5,7
General & Administrative	6,7,8

Employee Payroll Input worksheet

The “**Employee Payroll Input**” worksheet should be completed by all facilities with nursing facility employees who meet the definition of nursing home worker, as outlined in Minnesota Statutes section 181.211, subdivision 9. The blue-shaded cells in Columns A through I must be completed by the facility, one row for each employee who meets the statutory definition of nursing home worker. All other cells are locked and will auto-fill based on the data entered by the facility in the workbook.

- **Column A – Employee ID Number/code:** Type in the employee’s number or a code for that employee. Do not use a code that contains nonpublic data about the employee, such as the last four digits of the employee’s Social Security number.
- **Column B – Position/title:** Choose the employee position from the drop-down menu. The positions available to choose from will include those pictured.

Employee Position
LPN
CNA / NAR
TMA
Medical Records Staff
Health Information Manager
Health Unit Coordinator
Scheduling Coordinator
Mental Health Worker
Social Worker
Admissions Coordinator
Activities Director
Activities Aide
Chaplain / Religious Worker
Other Care Related Staff
Dietary Director
Cook
Dietary Aide
Feeding Assistant
Laundry Director
Laundry Worker
Housekeeping Director
Housekeeper
Maintenance Director
Maintenance Worker

Facilities must assign a position or title from the drop-down menu for each employee entered in the “**Employee Payroll Input**” worksheet. The position or title assigned will be used to identify the minimum-wage rate for the employee based on the minimum-wage standards adopted by the board pursuant to Minnesota Statutes section 181.213. If the position or title is not assigned, the remainder of the worksheet will not calculate any costs for wage increases for the employee.

If the workbook preparer cannot identify an employee’s specific position from the drop-down menu, they should choose the position that most closely reflects the employee’s job duties and nursing licensure.

1. Employees with multiple roles

- a. For nursing staff members, choose the position or title based on the employee's nursing license. For example, if the facility has an employee who is a licensed practical nurse (LPN) who performs both nursing duties and medical records duties, assign the employee's position as "LPN" from the drop-down menu. Although some of the employee's time may be assigned to the medical records department, they hold an LPN license and are eligible to receive the hourly minimum for LPNs.
- b. For all other staff members, choose the position or title that reflects the majority of the employee's duties. It is not necessary to differentiate multiple duties on the application because unlicensed staff members have a set hourly minimum wage of \$19 an hour.

2. Employees with administrative duties

- a. Administrative staff members as defined in Minnesota Statutes section 256R.02, subdivision 4, are not to be included on this workbook.
- b. Staff members who perform duties in both the administrative department and other departments, including medical records, nurse scheduling or admissions, may be included on the workbook. However, the facility must ensure only the compensated hours attributed to the other departments are entered for the employee.

3. Ineligible employees

- a. In addition to the ineligible administrative staff members explained in item 2 above, the following staff members are not allowable on the workbook: medical directors; nursing directors; physicians; and individuals employed by a supplemental nursing services agency. As such, the drop-down list does not include these types of positions.

- **Column C – Hourly Rate of Pay Before WSB Minimum:** Enter the employee's hourly rate of pay. The rate entered should be the regular (base) pay; overtime, shift differentials and other incentives should not be included. The facility should ensure the hourly rate of pay entered can be verified by the payroll data submitted with the workbook.

If the employee's hourly rate of pay differed from the start of the payroll period to the end of the payroll period, the following should be considered.

1. If the employee's hourly rate of pay changed, but each pay rate remained below the NHWSB minimum, then multiple entries will be needed for this employee. For each wage rate below the NHWSB minimum, enter the employee's data in Columns Although I. Ensure the compensated hours entered in Column G apply to the wage entered in Column D. The "**Payroll Period Begins Date**" and "**Payroll Period Ends Date**" cells in Columns E and F should be for the full period of payroll data submitted, not just for the period at that wage rate.
2. If the employee's hourly rate of pay changed, and this resulted in the employee being paid more than the NHWSB minimum by the end of the payroll period, this employee is ineligible and should not be included in the workbook.

- **Column D – Payroll Period Begins Date (Must Start After June 1, 2025):** Enter the beginning date of the payroll reports submitted with the workbook. The payroll report must start on or after June 2, 2025. If a date is entered before June 2, 2025, the workbook preparer will see a warning icon prompting them to enter a correct date.
- **Column E – Payroll Period Ends Date (Minimum Two Months):** Enter the end date of the payroll reports submitted with the workbook. The payroll report must cover a minimum period of two months. If a date is entered before Aug. 1, 2025, or after Oct. 1, 2025, the workbook preparer will see a warning icon prompting them to enter a correct date.

- **Column F – Total Compensated Hours During Period Submitted:** Enter the total compensated hours for the employee during the period. Compensated hours include all regular hours worked, paid vacation and sick time, holiday time and other paid time.
- **Column G – Are There Employer-paid Retirement Benefits Included on Payroll for the Employee?**
 - Choose “Yes” or “No” from the drop-down menu. If the facility offers an employer-paid retirement benefit, but the specific employee entered on the workbook did not participate in the program or did not receive an employer-paid retirement contribution in the two-month period, choose “No.” The facility should only choose “Yes” for employees who received an employer-paid retirement contribution during the payroll periods used to complete this workbook.
- **Column H – Employer-paid Retirement Contributions (% of Wages):** If the facility chooses “Yes” in Column H, then the cells in Column I will remain blue-shaded to be completed by the facility. If the facility chooses “No” in Column H, then the cells in Column I will convert to white cells that do not need to be completed.
 - For blue-shaded cells in Column I, for each employee, enter the employer-paid retirement contribution as a percentage of the total wages the employee was paid during the period. For example, if the employee was paid total gross wages of \$5,000 during the period and received an employer-paid retirement contribution of \$150 during the period, the percentage to enter would equal 3% (\$150 divided by \$5,000).
 - The facility should ensure the correct percentage is entered when typing in Column I. This column is formatted to percentage in Excel, so if .25 is entered, Excel will assume this equals 25%. However, if the amount that should be entered is 0.25%, then the zero must be typed for Excel to calculate the amount as 0.25%, instead of 25%. Limits have also been set in Column I so negative numbers cannot be entered and the highest percentage allowable to enter is 10%.

Contracted Staff Payroll Input worksheet

The “**Contracted Staff Payroll Input**” worksheet should be completed by all facilities with contracted staff members who meet the criteria outlined in the “**Background**” section of these instructions. The blue-shaded cells in Columns A through M must be completed by the facility. All other cells are locked and will auto-fill, based on the data entered by the facility in the workbook.

- **Column A – Vendor Name:** Enter the contracted vendor.
- **Column B – Employee ID Number/code:** Type in the contracted employee’s number or code.
- **Column C – Position/title:** Choose the contractor position from the drop-down menu. The positions available to choose from will include those pictured.

Contractor Position
LPN
CNA / NAR
TMA
Medical Records Staff
Mental Health Worker
Social Worker
Activities Staff
Chaplain / Religious Staff
Interpreter
Other Care Related Staff
Dietary Director
Cook
Dietary Aide
Feeding Assistant
Laundry Director
Laundry Worker
Housekeeping Director
Housekeeper
Maintenance Director
Maintenance Worker

- Facilities must assign a position or title from the drop-down menu for each contractor entered in the “**Contracted Staff Payroll Input**” worksheet. The position or title assigned will be used to identify the minimum-wage rate for the individual based on the minimum-wage standards adopted by the board pursuant to Minnesota Statutes section 181.213. If the position or title is not assigned, the remainder of the worksheet will not calculate any costs for wage increases for the contractor.
- If the workbook preparer cannot identify the contractor’s specific position from the drop-down menu, they should choose the position that most closely reflects the job performed and nursing licensure.
- The following contracted staff members are not to be included on the workbook: administrative staff; medical directors; nursing directors; physicians; and individuals employed by a supplemental nursing services agency.
- **Column D – Hourly Rate of Pay Before WSB Minimum:** Enter the contracted employee’s hourly rate of pay. The rate entered should be the regular (base) pay; overtime, shift differentials and other incentive amounts

should not be included. The facility should ensure the hourly rate of pay entered can be verified by the payroll data submitted with the workbook.

- **Column E – Payroll Period Begins Date (Must Start After June 1, 2025):** Enter the beginning date of the payroll reports submitted with the workbook. The payroll report must start on or after June 2, 2025. If a date is entered before June 2, 2025, the workbook preparer will see a warning icon prompting them to enter a correct date.
- **Column F – Payroll Period Ends Date (Minimum Two Months):** Enter the end date of the payroll reports submitted with the workbook. The payroll report must cover a minimum period of two months. If a date is entered before Aug. 1, 2025, or after Oct. 1, 2025, the workbook preparer will see a warning icon prompting them to enter a correct date.
- **Column G – Total Compensated Hours During Period Submitted:** Enter the total compensated hours for the contractor during the period. Compensated hours include all regular hours worked, paid vacation and sick time, holiday time and other paid time.
- **Column H – Are There Employer-paid Retirement Benefits Included on Payroll for the Employee?**
 - Choose “Yes” or “No” from the drop-down menu. If the vendor offers an employer-paid retirement benefit, but the specific contracted employee entered on the workbook did not participate in the program or did not receive an employer-paid retirement contribution in the two-month period, choose “No.” The facility should only choose “Yes” for contracted staff members who received an employer-paid retirement contribution during the payroll periods used to complete this workbook.
- **Column I – Employer-paid Retirement Contributions (% of Wages):** If the facility chooses “Yes” in Column H, then the cells in Column I will remain blue-shaded to be completed by the facility. If the facility chooses “No” in Column H, then the cells in Column I will convert to white cells that do not need to be completed.
 - For blue-shaded cells in Column I, for each contracted staff member, enter the employer-paid retirement contribution as a percentage of the total wages the contracted staff member was paid during the period. For example, if the contracted staff members was paid total gross wages of \$5,000 during the period and received an employer-paid retirement contribution of \$150 during the period, the percentage to enter would equal 3% (\$150 divided by \$5,000).
- **Column J – Employer FUTA or SUTA (% of Wages):** If the employer paid FUTA or SUTA tax during the period, enter the taxes paid as a percentage of the total wages the contracted staff member was paid during the period. For example, if the contracted staff member was paid total gross wages of \$5,000 and the employer paid \$50 in unemployment tax during the period, the percentage to enter would equal 1% (\$50 divided by \$5,000).
- **Column K – Employer Workers’ Compensation Insurance (% of Wages):** If the employer paid workers’ compensation insurance during the period, enter the amount paid as a percentage of the total wages the contracted staff member was paid during the period. For example, if the contracted staff members were paid total gross wages of \$100,000 and the employer paid workers’ compensation insurance for those salaries totaling \$5,000, the percentage to enter would equal 5% (\$5,000 divided by \$100,000).
- **Column L – Percentage Allocated to Nursing Facility (%):** If the contracted salaries and compensated hours are 100% nursing facility, enter 100. If the contracted salaries and compensated hours reported for the contractor are not 100% nursing facility, enter the percentage allocable to the nursing facility. For example, contracted dietary based on meals served – enter the nursing home percentage from the 2024 cost report dietary allocation.
 - The facility should ensure the correct percentage is entered when typing in Columns J through M. These columns are formatted to percentage in Excel, so if .25 is entered, Excel will assume this equals 25%.

However, if the amount that should be entered is 0.25%, then the zero must be typed for Excel to calculate the amount as 0.25%, instead of 25%. Limits have also been set in Columns J through M so negative numbers cannot be entered and the highest percentage allowable to enter is 10%.