COURAGE KENNY REHAB INST TRP 883417100/27020
NPI: 1245579713

NOTICE OF FINAL PAYMENT RATES EFFECTIVE January 1, 2026

The Minnesota Department of Human Services has reviewed the Cost Report, required documentation, and other supporting information supplied on behalf of the facility in determining the total payment rate. Specific sections of the rate notice are accompanied by a narrative.

A P P E A L S

An Appeal must meet the following requirement

1. A written Notice of Appeal from the Provider must be received by the Commissioner of Human Services or postmarked within 60 days of the publication date printed on the rate notice.
2. The Notice Of Appeal must identify each disputed item and specify for each item:
- The reason for the dispute
- The total dollar amount in dispute for each separate disallowance, allocation, or adjustment of a cost item or part of a cost item
- The computation the Provider believes is correct, and
- The authority in Statute or Rule upon which the Provider relies.
3. The Notice Of Appeal must include the name and address of the person or firm with whom contacts may be made regarding the Appeal.

Appeals should include the Provider Identification Number. Each separate dispute should be numbered. Each appealed adjustment should be identified by cost report line number.

Appeals should be addressed to:

Minnesota Department of Human Services Appeals Division
Attn: Provider Nursing Facility Rate Appeal
P.O. Box 64941
St. Paul, MN 55164-0941

If you have any policy questions please contact the Policy Center at 651-431-2282. To speak with an auditor or to request copies of work papers call 651-431-4339.
For TDD, contact Minnesota Relay Service at 1-800-627-3529.

RUGS IV Class	9/30/2024 Resident Days	RUGS IV Weight	RUGS IV Standardized Days	Medicaid Days	RUGS IV Medicaid Standardized Days
ES3	0	3.00	0.00	0	0.00
ES2	0	2.23	0.00	0	0.00
ES1	207	2.22	459.54	75	166.50
RAE	2,549	1.65	4,205.85	823	1,357.95
RAD	5,287	1.58	8,353.46	1,061	1,676.38
RAC	3,181	1.36	4,326.16	690	938.40
RAB	100	1.10	110.00	0	0.00
RAA	74	0.82	60.68	21	17.22
HE2	173	1.88	325.24	95	178.60
HE1	207	1.47	304.29	207	304.29
HD2	0	1.69	0.00	0	0.00
HD1	0	1.33	0.00	0	0.00
HC2	0	1.57	0.00	0	0.00
HC1	0	1.23	0.00	0	0.00
HB2	0	1.55	0.00	0	0.00
HB1	0	1.22	0.00	0	0.00
LE2	0	1.61	0.00	0	0.00
LE1	36	1.26	45.36	15	18.90
LD2	0	1.54	0.00	0	0.00
LD1	105	1.21	127.05	104	125.84
LC2	19	1.30	24.70	19	24.70
LC1	46	1.02	46.92	46	46.92
LB2	0	1.21	0.00	0	0.00
LB1	0	0.95	0.00	0	0.00
CE2	0	1.39	0.00	0	0.00
CE1	0	1.25	0.00	0	0.00
CD2	0	1.29	0.00	0	0.00
CD1	24	1.15	27.60	22	25.30
CC2	0	1.08	0.00	0	0.00
CC1	20	0.96	19.20	9	8.64
CB2	0	0.95	0.00	0	0.00
CB1	11	0.85	9.35	8	6.80
CA2	0	0.73	0.00	0	0.00
CA1	38	0.65	24.70	38	24.70
BB2	0	0.81	0.00	0	0.00
BB1	0	0.75	0.00	0	0.00
BA2	0	0.58	0.00	0	0.00
BA1	0	0.53	0.00	0	0.00
PE2	0	1.25	0.00	0	0.00
PE1	72	1.17	84.24	55	64.35
PD2	0	1.15	0.00	0	0.00
PD1	331	1.06	350.86	319	338.14
PC2	0	0.91	0.00	0	0.00
PC1	22	0.85	18.70	22	18.70
PB2	0	0.70	0.00	0	0.00
PB1	52	0.65	33.80	5	3.25
PA2	0	0.49	0.00	0	0.00
PA1	83	0.45	37.35	59	26.55
AAA	0	0.45	0.00	0	0.00
DDF	0	1.00	0.00	0	0.00
	12,637		18,995.05	3,693	5,372.13

PDPM Class	9/30/2024 Resident Days	PDPM Weight	PDPM Standardized Days	Medicaid Days	PDPM Medicaid Standardized Days
ES3	0	3.84	0.00	0	0.00
ES2	0	2.90	0.00	0	0.00
ES1	202	2.77	559.54	75	207.75
HDE2	168	2.27	381.36	90	204.30
HDE1	1,104	1.88	2,075.52	591	1,111.08
HBC2	0	2.12	0.00	0	0.00
HBC1	0	1.76	0.00	0	0.00
LDE2	73	1.97	143.81	0	0.00
LDE1	393	1.64	644.52	155	254.20
LBC2	55	1.63	89.65	55	89.65
LBC1	299	1.35	403.65	156	210.60
CDE2	76	1.77	134.52	0	0.00
CDE1	2,064	1.53	3,157.92	181	276.93
CBC2	68	1.47	99.96	56	82.32
CA2	0	1.03	0.00	0	0.00
CBC1	3,345	1.27	4,248.15	758	962.66
CA1	63	0.89	56.07	21	18.69
BAB2	0	0.98	0.00	0	0.00
BAB1	0	0.94	0.00	0	0.00
PDE2	0	1.48	0.00	0	0.00
PDE1	1,613	1.39	2,242.07	620	861.80
PBC2	0	1.15	0.00	0	0.00
PA2	0	0.67	0.00	0	0.00
PBC1	2,998	1.07	3,207.86	870	930.90
PA1	116	0.62	71.92	65	40.30
AAA	0	0.62	0.00	0	0.00
DDF	0	1.00	0.00	0	0.00
	12,637		17,516.52	3,693	5,251.18

Care-Related per diem				
Allowed Direct Care costs	5,226,239		Your 1/1/2025 Direct Care Rate	264.37
Standardized Days	18,995.05		Lesser of CPI-U or 4%	3.22%
Direct Care cost per diem		275.14	Direct Care Rate Limit	272.88
Allowed Other Care Related costs	669,545		Your 1/1/2025 Other Care Related Rate	47.23
Resident Days	12,637		Lesser of CPI-U or 4%	3.22%
Other Care Related cost per diem		52.98	Direct Care CPI-U Rate Limit	48.75
Care-Related cost per diem		328.12		
Care-Related per diem Quality Based limit				
Median	219.08		Quality Based DC Rate Limit	248.97
Quality Score	82.04		Quality Based OCR Rate Limit	47.94
Care Related Limit	296.91			296.91
			** This limit will not be applied.	
Care-Related payment rates			Care-Related per diem limits	
Direct Care per diem	275.14		Direct Care per diem limit	248.97
Other Care-Related per diem	52.98		Other Care-Related per diem Limit	47.94
Care-Related per diem	328.12		Care-Related per diem limit	296.91

Care-Related per diem

Allowed Direct Care costs	5,226,239	
Standardized Days	17,516.52	
Direct Care cost per diem		298.36
Allowed Other Care Related costs	669,545	
Resident Days	12,637	
Other Care Related cost per diem		52.98
Care-Related cost per diem		351.34

Your 10/1/2025 Direct Care Rate	281.86
Lesser of CPI-U or 4%	3.22%
Direct Care Rate Limit	290.94
Your 10/1/2025 Other Care Rate	47.23
Lesser of CPI-U or 4%	3.22%
Other Care Related Rate Limit	48.75

Care-Related per diem limit

Median	178.65
Quality Score	82.04
Care Related Limit	242.12

Quality Based DC Rate Limit	205.61
Quality Based OCR Rate Limit	36.51
	242.12

** This limit will not be applied.

Care-Related payment rates

Direct Care per diem	298.36
Other Care-Related per diem	52.98
Care-Related per diem	351.34

Care-Related per diem limit

Direct Care per diem	205.61
Related per diem	36.51
Care-Related per diem	242.12

Other Operating Price

Allowed Other Operating costs	2,722,445	
Resident Days	12,637	
Other Operating per diem		215.43

Care-Related per diem	351.34
Other Operating per diem	215.43
Operating per diem (at 1.00)	566.77

	Direct Care	Weight	Weighted Direct Care	Other Care Related	Other Operating	1/1/26 Operating Rates
ES3	298.36	3.84	1145.70	52.98	215.43	1414.11
ES2	298.36	2.90	865.24	52.98	215.43	1133.65
ES1	298.36	2.77	826.46	52.98	215.43	1094.87
HDE2	298.36	2.27	677.28	52.98	215.43	945.69
HDE1	298.36	1.88	560.92	52.98	215.43	829.33
HBC2	298.36	2.12	632.52	52.98	215.43	900.93
HBC1	298.36	1.76	525.11	52.98	215.43	793.52
LDE2	298.36	1.97	587.77	52.98	215.43	856.18
LDE1	298.36	1.64	489.31	52.98	215.43	757.72
LBC2	298.36	1.63	486.33	52.98	215.43	754.74
LBC1	298.36	1.35	402.79	52.98	215.43	671.20
CDE2	298.36	1.77	528.10	52.98	215.43	796.51
CDE1	298.36	1.53	456.49	52.98	215.43	724.90
CBC2	298.36	1.47	438.59	52.98	215.43	707.00
CA2	298.36	1.03	307.31	52.98	215.43	575.72
CBC1	298.36	1.27	378.92	52.98	215.43	647.33
CA1	298.36	0.89	265.54	52.98	215.43	533.95
BAB2	298.36	0.98	292.39	52.98	215.43	560.80
BAB1	298.36	0.94	280.46	52.98	215.43	548.87
PDE2	298.36	1.48	441.57	52.98	215.43	709.98
PDE1	298.36	1.39	414.72	52.98	215.43	683.13
PBC2	298.36	1.15	343.11	52.98	215.43	611.52
PA2	298.36	0.67	199.90	52.98	215.43	468.31
PBC1	298.36	1.07	319.25	52.98	215.43	587.66
PA1	298.36	0.62	184.98	52.98	215.43	453.39
AAA	298.36	0.62	184.98	52.98	215.43	453.39
DDF	298.36	1.00	298.36	52.98	215.43	566.77

Phase in Adjustment Calculation	RUGS IV	PDPM	
Medicaid Days			
Resident Days (Annual)	3693	3693	
Standardized Days (Annual)	5372.13	5251.18	
Medicaid Case mix Index	1.45	1.42	
Direct Care Rate	275.14	298.36	
Medicaid Casemix index	1.45	1.42	
Medicaid Casemix adjusted Direct Care	400.24	424.25	
Phase - in percentage	0.75	0.25	
Phase - in amounts	300.18	106.06	
Blended Medicaid Casemix adjusted Direct Care Rate			406.24
Less PDPM Medicaid Casemix adjusted Direct Care Rate			-424.25
PDPM Phase-in Adjustment			-18.00

Surcharge		
Percent of beds licensed as NF	100%	
Base surcharge rate	8.86	
Allowed surcharge rate		8.86
Other Fees		
Allowed MDH license fees	6,343	
Allowed scholarship costs	0	
Allowed health insurance	448,796	
Allowed real estate taxes or payments in lieu of	0	
Allowed special assessments	0	
Allowed PERA costs	0	
Subtotal	455,139	
Resident days	12,637	
Per diem amount		36.02
Quality Improvement Incentive Payment (QIIP)		3.50
Previous single-bed incentives		0.00
Family and resident advisory council costs		0.01
External fixed rate		48.39
Property Rate		
Property rate from prior year	8.13	
Subtotal		8.13
Property inflation rate		.000%
01/01/2026 property rate		8.13

	1/1/26 Operating Rate	Property Rate	External Fixed Rate	PDPM Phase-In Adj	883417100 1/1/26 Total Rate	883417100 01/01/26 Total Rate*	883417100 10/01/26 Total Rate*	Adjustments To Rate
ES3	1414.11	8.13	48.39	-18.00	1468.52	1468.52	1458.36	
ES2	1133.65	8.13	48.39	-18.00	1188.06	1188.06	1177.90	
ES1	1094.87	8.13	48.39	-18.00	1149.28	1149.28	1139.12	* 01/01/2026 256R.495 WSB adjustment $5.73
HDE2	945.69	8.13	48.39	-18.00	1000.10	1000.10	989.94	* 01/01/2026 Temp Surcharge Increase $10.16
HDE1	829.33	8.13	48.39	-18.00	883.74	883.74	873.58	* 10/01/2026 End Surcharge Increase -10.16
HBC2	900.93	8.13	48.39	-18.00	955.34	955.34	945.18	
HBC1	793.52	8.13	48.39	-18.00	847.93	847.93	837.77	
LDE2	856.18	8.13	48.39	-18.00	910.59	910.59	900.43	
LDE1	757.72	8.13	48.39	-18.00	812.13	812.13	801.97	
LBC2	754.74	8.13	48.39	-18.00	809.15	809.15	798.99	
LBC1	671.20	8.13	48.39	-18.00	725.61	725.61	715.45	
CDE2	796.51	8.13	48.39	-18.00	850.92	850.92	840.76	
CDE1	724.90	8.13	48.39	-18.00	779.31	779.31	769.15	
CBC2	707.00	8.13	48.39	-18.00	761.41	761.41	751.25	
CA2	575.72	8.13	48.39	-18.00	630.13	630.13	619.97	
CBC1	647.33	8.13	48.39	-18.00	701.74	701.74	691.58	
CA1	533.95	8.13	48.39	-18.00	588.36	588.36	578.20	
BAB2	560.80	8.13	48.39	-18.00	615.21	615.21	605.05	
BAB1	548.87	8.13	48.39	-18.00	603.28	603.28	593.12	
PDE2	709.98	8.13	48.39	-18.00	764.39	764.39	754.23	
PDE1	683.13	8.13	48.39	-18.00	737.54	737.54	727.38	
PBC2	611.52	8.13	48.39	-18.00	665.93	665.93	655.77	
PA2	468.31	8.13	48.39	-18.00	522.72	522.72	512.56	
PBC1	587.66	8.13	48.39	-18.00	642.07	642.07	631.91	
PA1	453.39	8.13	48.39	-18.00	507.80	507.80	497.64	
AAA	453.39	8.13	48.39	-18.00	507.80	507.80	497.64	
DDF	566.77	8.13	48.39	-18.00	621.18	621.18	611.02	
Max additional charge for private pay in single rooms							N/A	

'N/A' - Law does not limit the price the facility may set for private paying residents for single-bed rooms as long as it is at least equal to what Medicaid pays for a medically necessary private room - currently this amount is 11.5% of an individual`s MN PDPM rate. Facilities choosing to charge a lower amount to private pay residents in a single-bed room than 11.5% of their PDPM rate, must notify DHS because the Medicaid payments for medically necessary single-bed rooms cannot exceed the facility`s usual and customary charges to the private pay residents. Please submit notification to: greg.leahy@state.mn.us