

State Regulation of Nursing Home Care

Topic Selection Background Information

November 2025

Program Overview	Multiple state agencies are responsible for regulating and promoting quality of care at Minnesota nursing homes. The Minnesota Department of Health (MDH) licenses and inspects nursing homes. The Minnesota Department of Human Services (DHS) administers Medical Assistance reimbursements for nursing home care and is responsible for monitoring Medical Assistance spending on resident care.
Evaluation Questions	How well do MDH and DHS work with each other and with the federal government to ensure adequate care is provided by nursing homes? To what extent are there gaps or duplication in state agency responsibilities for regulating nursing home care? To what extent are state efforts to promote quality care effective?
State Resources <i>High</i>	In Fiscal Year 2023, Minnesota spent over \$400 million in state Medical Assistance funds on nursing facilities. Additional state funding supports the work of state agencies to regulate nursing home care.
State Control <i>Medium</i>	State laws establish state agency responsibilities for regulating nursing home care. Most nursing homes in Minnesota participate in federal Medicaid (Medical Assistance) or Medicare programs; the state is responsible for certifying that these nursing homes meet federal requirements related to quality of care.
Impact <i>High</i>	Minnesota currently has more than 300 nursing homes with the licensed capacity to serve more than 20,000 residents. Residents of these facilities can be among the state's most vulnerable adults; they depend on the nursing care they receive on a daily basis.
Timeliness <i>High</i>	Legislators and other stakeholders have recently raised concerns about quality of care in nursing homes and whether state agencies are adequately ensuring that public funds are directed to residents' needs. Particular concerns have been raised about changes in ownership, and whether some new owners are providing quality care.
Feasibility <i>Medium</i>	OLA could complete this evaluation using standard evaluation techniques. However, this project could be large, complex, and involve multiple agencies; we may need to scope the evaluation to include only certain aspects of regulation.
Balance <i>Low</i>	OLA has done multiple evaluations related to MDH and DHS in recent years. Most notably, OLA is currently evaluating MDH's licensing of assisted living facilities; the same MDH division is also responsible for nursing home licensing.
Discussion	An evaluation could address important and ongoing concerns about how the state cares for some of its most vulnerable residents.