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State of Minnesota

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HOUSE OF REPRESENTATIVES

SPECIAL SESSION

H. F. No. 33

- 06/15/2021 Authored by Liebling, Schultz, Pinto, Gomez, Fischer and others
The bill was read for the first time and referred to the Committee on Ways and Means
- 06/24/2021 Adoption of Report: Placed on the General Register as Amended
Read for the Second Time
- 06/26/2021 Calendar for the Day
Read for the Third Time
Passed by the House and transmitted to the Senate
Passed by the Senate as Amended and returned to the House
The House concurred in the Senate Amendments and repassed the bill as Amended by the Senate

1.1 A bill for an act

1.2 relating to state government; establishing a biennial budget for health and human

1.3 services; modifying various provisions governing Department of Human Services

1.4 health programs, the Department of Health, health-related licensing boards,

1.5 prescription drugs, telehealth, economic supports, child care assistance, child

1.6 protection, behavioral health, direct care and treatment, disability services, and

1.7 home and community-based services; continuing Minnesota premium security

1.8 plan to a certain date; making technical changes; modifying fees; establishing civil

1.9 and criminal penalties; establishing task forces; requiring reports; appropriating

1.10 money; amending Minnesota Statutes 2020, sections 16A.151, subdivision 2;

1.11 62J.495, subdivisions 1, 2, 4; 62J.497, subdivisions 1, 3; 62J.63, subdivisions 1,

1.12 2; 62U.04, subdivisions 4, 5; 62V.05, by adding a subdivision; 103H.201,

1.13 subdivision 1; 119B.03, subdivision 6, by adding a subdivision; 119B.09,

1.14 subdivision 4; 119B.11, subdivision 2a; 119B.125, subdivision 1; 119B.13,

1.15 subdivisions 1, 1a, 6, 7; 119B.25; 122A.18, subdivision 8; 124D.142; 136A.128,

1.16 subdivisions 2, 4; 144.0724, subdivisions 1, 2, 3a, 4, 5, 7, 8, 9, 12; 144.125,

1.17 subdivision 1; 144.1501, subdivisions 1, 2, 3; 144.212, by adding a subdivision;

1.18 144.225, subdivision 2; 144.226, by adding subdivisions; 144.551, subdivision 1;

1.19 144.555; 144.9501, subdivision 17; 144.9502, subdivision 3; 144.9504, subdivisions

1.20 2, 5; 144A.073, subdivision 2, by adding a subdivision; 145.32, subdivision 1;

1.21 145.901, subdivisions 2, 4, by adding a subdivision; 147.033; 148.90, subdivision

1.22 2; 148.911; 148.995, subdivision 2; 148.996, subdivisions 2, 4, by adding a

1.23 subdivision; 148B.30, subdivision 1; 148B.31; 148B.51; 148B.54, subdivision 2;

1.24 148E.010, by adding a subdivision; 148E.130, subdivision 1, by adding a

1.25 subdivision; 151.066, subdivision 3; 151.37, subdivision 2; 171.07, by adding a

1.26 subdivision; 245.462, subdivision 17; 245.4876, by adding a subdivision; 245.4882,

1.27 subdivisions 1, 3; 245.4885, subdivision 1, as amended; 245.4889, subdivision 1;

1.28 245.4901; 245A.02, by adding a subdivision; 245A.03, subdivision 7; 245A.05;

1.29 245A.07, subdivision 1; 245A.10, subdivision 4, as amended; 245A.14, subdivision

1.30 4; 245A.16, by adding a subdivision; 245A.50, subdivisions 7, 9; 245C.02,

1.31 subdivisions 4a, 5, by adding subdivisions; 245C.03; 245C.05, subdivisions 1, 2,

1.32 2a, 2b, 2c, 2d, 4, 5; 245C.08, subdivision 3, by adding a subdivision; 245C.10,

1.33 subdivisions 2, 3, 4, 5, 6, 8, 9, 9a, 10, 11, 12, 13, 15, 16, by adding subdivisions;

1.34 245C.13, subdivision 2; 245C.14, subdivision 1, by adding a subdivision; 245C.15,

1.35 by adding a subdivision; 245C.16, subdivisions 1, 2; 245C.17, subdivision 1, by

1.36 adding a subdivision; 245C.18; 245C.24, subdivisions 2, 3, 4, by adding a

1.37 subdivision; 245C.30, by adding a subdivision; 245C.32, subdivisions 1a, 2;

1.38 245E.07, subdivision 1; 245G.01, subdivisions 13, 26; 245G.06, subdivision 1;

2.1 246.54, subdivision 1b; 254A.19, subdivision 5; 254B.01, subdivision 4a, by
2.2 adding a subdivision; 254B.05, subdivision 5; 254B.12, by adding a subdivision;
2.3 256.01, subdivision 28; 256.041; 256.042, subdivision 4; 256.043, subdivisions
2.4 3, 4; 256.476, subdivision 11; 256.477; 256.478; 256.479; 256B.04, subdivision
2.5 14; 256B.055, subdivision 6; 256B.056, subdivision 10; 256B.06, subdivision 4;
2.6 256B.0621, subdivision 10; 256B.0622, subdivision 7a, as amended; 256B.0624,
2.7 as amended; 256B.0625, subdivisions 3b, as amended, 9, 13, 13c, 13d, 13e, 13g,
2.8 13h, 18, 20, 20b, 31, 46, 52, 58, by adding subdivisions; 256B.0631, subdivision
2.9 1; 256B.0653, by adding a subdivision; 256B.0654, by adding a subdivision;
2.10 256B.0659, subdivisions 11, 17a; 256B.0759, subdivisions 2, 4, by adding
2.11 subdivisions; 256B.0911, subdivisions 1a, 3a, as amended, 3f; 256B.092,
2.12 subdivisions 4, 5, 12, by adding a subdivision; 256B.0924, subdivision 6; 256B.094,
2.13 subdivision 6; 256B.0943, subdivision 1, as amended; 256B.0946, subdivisions
2.14 1, as amended, 4, as amended; 256B.0947, subdivisions 2, as amended, 3, as
2.15 amended, 5, as amended; 256B.0949, subdivision 13, by adding a subdivision;
2.16 256B.097, by adding subdivisions; 256B.439, by adding subdivisions; 256B.49,
2.17 subdivisions 11, 11a, 14, 17, by adding subdivisions; 256B.4905, by adding
2.18 subdivisions; 256B.4914, subdivisions 5, 6; 256B.5012, by adding a subdivision;
2.19 256B.5013, subdivisions 1, 6; 256B.5015, subdivision 2; 256B.69, subdivision
2.20 5a, as amended, by adding subdivisions; 256B.75; 256B.76, subdivisions 2, 4;
2.21 256B.79, subdivisions 1, 3; 256B.85, subdivisions 2, as amended, 7a, 11, as
2.22 amended, 14, 16, by adding a subdivision; 256D.051, by adding subdivisions;
2.23 256E.30, subdivision 2; 256I.05, subdivision 1c, by adding a subdivision; 256I.06,
2.24 subdivision 8; 256J.08, subdivisions 15, 53; 256J.10; 256J.21, subdivisions 3, 5;
2.25 256J.24, subdivision 5; 256J.33, subdivisions 1, 4; 256J.37, subdivisions 1, 1b;
2.26 256J.95, subdivision 9; 256L.07, subdivision 2; 256L.11, subdivisions 6a, 7;
2.27 256L.15, subdivision 2; 256N.25, subdivisions 2, 3; 256N.26, subdivisions 11,
2.28 13; 256P.01, subdivision 3; 256P.02, subdivisions 1a, 2; 256P.04, subdivisions 4,
2.29 8; 256P.05; 256P.06, subdivisions 2, 3; 256S.05, subdivision 2; 256S.18,
2.30 subdivision 7; 256S.20, subdivision 1; 256S.203; 256S.21; 256S.2101; 257.0755,
2.31 subdivision 1; 257.076, subdivisions 3, 5; 257.0768, subdivisions 1, 6; 257.0769;
2.32 260C.163, subdivision 3; 260C.215, subdivision 4; Laws 2017, chapter 13, article
2.33 1, section 15, as amended; Laws 2019, First Special Session chapter 9, article 14,
2.34 section 3, as amended; Laws 2020, First Special Session chapter 7, section 1,
2.35 subdivisions 1, 2, as amended, 3, 5, as amended; Laws 2021, chapter 30, article
2.36 12, section 5; proposing coding for new law in Minnesota Statutes, chapters 3;
2.37 62A; 119B; 144; 148; 151; 245; 245C; 245G; 254B; 256; 256B; 256S; 260E; 325F;
2.38 repealing Minnesota Statutes 2020, sections 16A.724, subdivision 2; 62A.67;
2.39 62A.671; 62A.672; 62J.63, subdivision 3; 119B.125, subdivision 5; 144.0721,
2.40 subdivision 1; 144.0722; 144.0724, subdivision 10; 144.693; 245.4871, subdivision
2.41 32a; 256B.0596; 256B.0916, subdivisions 2, 3, 4, 5, 8, 11, 12; 256B.0924,
2.42 subdivision 4a; 256B.097, subdivisions 1, 2, 3, 4, 5, 6; 256B.49, subdivisions 26,
2.43 27; 256B.4905, subdivisions 1, 2, 3, 4, 5, 6; 256D.051, subdivisions 1, 1a, 2, 2a,
2.44 3, 3a, 3b, 6b, 6c, 7, 8, 9, 18; 256D.052, subdivision 3; 256J.21, subdivisions 1, 2;
2.45 256S.20, subdivision 2; 259A.70; Laws 2019, First Special Session chapter 9,
2.46 article 5, section 90; Laws 2020, First Special Session chapter 7, section 1,
2.47 subdivision 2, as amended; Laws 2021, chapter 30, article 17, section 71; Minnesota
2.48 Rules, parts 9505.0275; 9505.1693; 9505.1696, subparts 1, 2, 3, 4, 5, 6, 7, 8, 9,
2.49 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22; 9505.1699; 9505.1701; 9505.1703;
2.50 9505.1706; 9505.1712; 9505.1715; 9505.1718; 9505.1724; 9505.1727; 9505.1730;
2.51 9505.1733; 9505.1736; 9505.1739; 9505.1742; 9505.1745; 9505.1748.

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

3.2 **ARTICLE 1**

3.3 **DEPARTMENT OF HUMAN SERVICES HEALTH CARE PROGRAMS**

3.4 Section 1. Minnesota Statutes 2020, section 256.01, subdivision 28, is amended to read:

3.5 Subd. 28. **Statewide health information exchange.** (a) The commissioner has the
3.6 authority to join and participate as a member in a legal entity developing and operating a
3.7 statewide health information exchange or to develop and operate an encounter alerting
3.8 service that shall meet the following criteria:

3.9 (1) the legal entity must meet all constitutional and statutory requirements to allow the
3.10 commissioner to participate; and

3.11 (2) the commissioner or the commissioner's designated representative must have the
3.12 right to participate in the governance of the legal entity under the same terms and conditions
3.13 and subject to the same requirements as any other member in the legal entity and in that
3.14 role shall act to advance state interests and lessen the burdens of government.

3.15 (b) Notwithstanding chapter 16C, the commissioner may pay the state's prorated share
3.16 of development-related expenses of the legal entity retroactively from October 29, 2007,
3.17 regardless of the date the commissioner joins the legal entity as a member.

3.18 Sec. 2. **[256B.0371] PERFORMANCE BENCHMARKS FOR DENTAL ACCESS;**
3.19 **CONTINGENT DENTAL ADMINISTRATOR.**

3.20 Subdivision 1. **Benchmark for dental access.** For coverage years 2022 to 2024, the
3.21 commissioner shall establish a performance benchmark under which at least 55 percent of
3.22 children and adults who were continuously enrolled for at least 11 months in either medical
3.23 assistance or MinnesotaCare through a managed care or county-based purchasing plan
3.24 received at least one dental visit during the coverage year.

3.25 Subd. 2. **Corrective action plan.** For coverage years 2022 to 2024, if a managed care
3.26 or county-based purchasing plan under contract with the commissioner to provide dental
3.27 services under this chapter or chapter 256L has a rate of dental utilization that is ten percent
3.28 or more below the performance benchmark specified in subdivision 1, the commissioner
3.29 shall require the managed care or county-based purchasing plan to submit a corrective action
3.30 plan to the commissioner describing how the entity intends to increase dental utilization to
3.31 meet the performance benchmark. The managed care or county-based purchasing plan must:

3.32 (1) provide a written corrective action plan to the commissioner for approval;

4.1 (2) implement the plan; and

4.2 (3) provide the commissioner with documentation of each corrective action taken.

4.3 Subd. 3. **Contingent contract with dental administrator.** (a) The commissioner shall
4.4 determine the extent to which managed care and county-based purchasing plans in the
4.5 aggregate meet the performance benchmark specified in subdivision 1 for coverage year
4.6 2024. If managed care and county-based purchasing plans in the aggregate fail to meet the
4.7 performance benchmark, the commissioner, after issuing a request for information followed
4.8 by a request for proposals, shall contract with a dental administrator to administer dental
4.9 services beginning January 1, 2026, for all recipients of medical assistance and
4.10 MinnesotaCare, including persons served under fee-for-service and persons receiving
4.11 services through managed care and county-based purchasing plans.

4.12 (b) The dental administrator must provide administrative services, including but not
4.13 limited to:

4.14 (1) provider recruitment, contracting, and assistance;

4.15 (2) recipient outreach and assistance;

4.16 (3) utilization management and reviews of medical necessity for dental services;

4.17 (4) dental claims processing;

4.18 (5) coordination of dental care with other services;

4.19 (6) management of fraud and abuse;

4.20 (7) monitoring access to dental services;

4.21 (8) performance measurement;

4.22 (9) quality improvement and evaluation; and

4.23 (10) management of third-party liability requirements.

4.24 (c) Dental administrator payments to contracted dental providers must be at the rates
4.25 established under sections 256B.76 and 256L.11.

4.26 (d) Recipients must be given a choice of dental provider, including any provider who
4.27 agrees to provider participation requirements and payment rates established by the
4.28 commissioner and dental administrator. The dental administrator must comply with the
4.29 network adequacy and geographic access requirements that apply to managed care and
4.30 county-based purchasing plans for dental services under section 62K.14.

5.1 (e) The contract with the dental administrator must include a provision that states that
5.2 if the dental administrator fails to meet, by calendar year 2029, a performance benchmark
5.3 under which at least 55 percent of children and adults who were continuously enrolled for
5.4 at least 11 months in either medical assistance or MinnesotaCare received at least one dental
5.5 visit during the calendar year, the contract must be terminated and the commissioner must
5.6 enter into a contract with a new dental administrator as soon as practicable.

5.7 (f) The commissioner shall implement this subdivision in consultation with representatives
5.8 of providers who provide dental services to patients enrolled in medical assistance or
5.9 MinnesotaCare, including but not limited to providers serving primarily low-income and
5.10 socioeconomically complex populations, and with representatives of managed care plans
5.11 and county-based purchasing plans.

5.12 Subd. 4. **Dental utilization report.** (a) The commissioner shall submit an annual report
5.13 beginning March 15, 2022, and ending March 15, 2026, to the chairs and ranking minority
5.14 members of the legislative committees with jurisdiction over health and human services
5.15 policy and finance that includes the percentage for adults and children one through 20 years
5.16 of age for the most recent complete calendar year receiving at least one dental visit for both
5.17 fee-for-service and the prepaid medical assistance program. The report must include:

5.18 (1) statewide utilization for both fee-for-service and for the prepaid medical assistance
5.19 program;

5.20 (2) utilization by county;

5.21 (3) utilization by children receiving dental services through fee-for-service and through
5.22 a managed care plan or county-based purchasing plan;

5.23 (4) utilization by adults receiving dental services through fee-for-service and through a
5.24 managed care plan or county-based purchasing plan.

5.25 (b) The report must also include a description of any corrective action plans required to
5.26 be submitted under subdivision 2.

5.27 (c) The initial report due on March 15, 2022, must include the utilization metrics described
5.28 in paragraph (a) for each of the following calendar years: 2017, 2018, 2019, and 2020.

5.29 Sec. 3. Minnesota Statutes 2020, section 256B.04, subdivision 14, is amended to read:

5.30 Subd. 14. **Competitive bidding.** (a) When determined to be effective, economical, and
5.31 feasible, the commissioner may utilize volume purchase through competitive bidding and

6.1 negotiation under the provisions of chapter 16C, to provide items under the medical assistance
6.2 program including but not limited to the following:

6.3 (1) eyeglasses;

6.4 (2) oxygen. The commissioner shall provide for oxygen needed in an emergency situation
6.5 on a short-term basis, until the vendor can obtain the necessary supply from the contract
6.6 dealer;

6.7 (3) hearing aids and supplies; ~~and~~

6.8 (4) durable medical equipment, including but not limited to:

6.9 (i) hospital beds;

6.10 (ii) commodes;

6.11 (iii) glide-about chairs;

6.12 (iv) patient lift apparatus;

6.13 (v) wheelchairs and accessories;

6.14 (vi) oxygen administration equipment;

6.15 (vii) respiratory therapy equipment;

6.16 (viii) electronic diagnostic, therapeutic and life-support systems; and

6.17 (ix) allergen-reducing products as described in section 256B.0625, subdivision 67,
6.18 paragraph (c) or (d);

6.19 (5) nonemergency medical transportation level of need determinations, disbursement of
6.20 public transportation passes and tokens, and volunteer and recipient mileage and parking
6.21 reimbursements; and

6.22 (6) drugs.

6.23 (b) Rate changes and recipient cost-sharing under this chapter and chapter 256L do not
6.24 affect contract payments under this subdivision unless specifically identified.

6.25 (c) The commissioner may not utilize volume purchase through competitive bidding
6.26 and negotiation under the provisions of chapter 16C for special transportation services or
6.27 incontinence products and related supplies.

6.28 **EFFECTIVE DATE.** This section is effective January 1, 2022, or upon federal approval,
6.29 whichever is later.

7.1 Sec. 4. Minnesota Statutes 2020, section 256B.055, subdivision 6, is amended to read:

7.2 Subd. 6. **Pregnant women; needy unborn child.** Medical assistance may be paid for
7.3 a pregnant woman who meets the other eligibility criteria of this section and whose unborn
7.4 child would be eligible as a needy child under subdivision 10 if born and living with the
7.5 woman. In accordance with Code of Federal Regulations, title 42, section 435.956, the
7.6 commissioner must accept self-attestation of pregnancy unless the agency has information
7.7 that is not reasonably compatible with such attestation. For purposes of this subdivision, a
7.8 woman is considered pregnant for ~~60 days~~ 12 months postpartum.

7.9 **EFFECTIVE DATE.** This section is effective July 1, 2022, or upon federal approval,
7.10 whichever is later. The commissioner shall notify the revisor of statutes when federal
7.11 approval has been obtained.

7.12 Sec. 5. Minnesota Statutes 2020, section 256B.056, subdivision 10, is amended to read:

7.13 Subd. 10. **Eligibility verification.** (a) The commissioner shall require women who are
7.14 applying for the continuation of medical assistance coverage following the end of the ~~60-day~~
7.15 12-month postpartum period to update their income and asset information and to submit
7.16 any required income or asset verification.

7.17 (b) The commissioner shall determine the eligibility of private-sector health care coverage
7.18 for infants less than one year of age eligible under section 256B.055, subdivision 10, or
7.19 256B.057, subdivision 1, paragraph (c), and shall pay for private-sector coverage if this is
7.20 determined to be cost-effective.

7.21 (c) The commissioner shall verify assets and income for all applicants, and for all
7.22 recipients upon renewal.

7.23 (d) The commissioner shall utilize information obtained through the electronic service
7.24 established by the secretary of the United States Department of Health and Human Services
7.25 and other available electronic data sources in Code of Federal Regulations, title 42, sections
7.26 435.940 to 435.956, to verify eligibility requirements. The commissioner shall establish
7.27 standards to define when information obtained electronically is reasonably compatible with
7.28 information provided by applicants and enrollees, including use of self-attestation, to
7.29 accomplish real-time eligibility determinations and maintain program integrity.

7.30 (e) Each person applying for or receiving medical assistance under section 256B.055,
7.31 subdivision 7, and any other person whose resources are required by law to be disclosed to
7.32 determine the applicant's or recipient's eligibility must authorize the commissioner to obtain
7.33 information from financial institutions to identify unreported accounts as required in section

8.1 256.01, subdivision 18f. If a person refuses or revokes the authorization, the commissioner
8.2 may determine that the applicant or recipient is ineligible for medical assistance. For purposes
8.3 of this paragraph, an authorization to identify unreported accounts meets the requirements
8.4 of the Right to Financial Privacy Act, United States Code, title 12, chapter 35, and need not
8.5 be furnished to the financial institution.

8.6 (f) County and tribal agencies shall comply with the standards established by the
8.7 commissioner for appropriate use of the asset verification system specified in section 256.01,
8.8 subdivision 18f.

8.9 **EFFECTIVE DATE.** This section is effective July 1, 2022, or upon federal approval,
8.10 whichever is later. The commissioner shall notify the revisor of statutes when federal
8.11 approval has been obtained.

8.12 Sec. 6. Minnesota Statutes 2020, section 256B.06, subdivision 4, is amended to read:

8.13 Subd. 4. **Citizenship requirements.** (a) Eligibility for medical assistance is limited to
8.14 citizens of the United States, qualified noncitizens as defined in this subdivision, and other
8.15 persons residing lawfully in the United States. Citizens or nationals of the United States
8.16 must cooperate in obtaining satisfactory documentary evidence of citizenship or nationality
8.17 according to the requirements of the federal Deficit Reduction Act of 2005, Public Law
8.18 109-171.

8.19 (b) "Qualified noncitizen" means a person who meets one of the following immigration
8.20 criteria:

8.21 (1) admitted for lawful permanent residence according to United States Code, title 8;

8.22 (2) admitted to the United States as a refugee according to United States Code, title 8,
8.23 section 1157;

8.24 (3) granted asylum according to United States Code, title 8, section 1158;

8.25 (4) granted withholding of deportation according to United States Code, title 8, section
8.26 1253(h);

8.27 (5) paroled for a period of at least one year according to United States Code, title 8,
8.28 section 1182(d)(5);

8.29 (6) granted conditional entrant status according to United States Code, title 8, section
8.30 1153(a)(7);

9.1 (7) determined to be a battered noncitizen by the United States Attorney General
9.2 according to the Illegal Immigration Reform and Immigrant Responsibility Act of 1996,
9.3 title V of the Omnibus Consolidated Appropriations Bill, Public Law 104-200;

9.4 (8) is a child of a noncitizen determined to be a battered noncitizen by the United States
9.5 Attorney General according to the Illegal Immigration Reform and Immigrant Responsibility
9.6 Act of 1996, title V, of the Omnibus Consolidated Appropriations Bill, Public Law 104-200;
9.7 or

9.8 (9) determined to be a Cuban or Haitian entrant as defined in section 501(e) of Public
9.9 Law 96-422, the Refugee Education Assistance Act of 1980.

9.10 (c) All qualified noncitizens who were residing in the United States before August 22,
9.11 1996, who otherwise meet the eligibility requirements of this chapter, are eligible for medical
9.12 assistance with federal financial participation.

9.13 (d) Beginning December 1, 1996, qualified noncitizens who entered the United States
9.14 on or after August 22, 1996, and who otherwise meet the eligibility requirements of this
9.15 chapter are eligible for medical assistance with federal participation for five years if they
9.16 meet one of the following criteria:

9.17 (1) refugees admitted to the United States according to United States Code, title 8, section
9.18 1157;

9.19 (2) persons granted asylum according to United States Code, title 8, section 1158;

9.20 (3) persons granted withholding of deportation according to United States Code, title 8,
9.21 section 1253(h);

9.22 (4) veterans of the United States armed forces with an honorable discharge for a reason
9.23 other than noncitizen status, their spouses and unmarried minor dependent children; or

9.24 (5) persons on active duty in the United States armed forces, other than for training,
9.25 their spouses and unmarried minor dependent children.

9.26 Beginning July 1, 2010, children and pregnant women who are noncitizens described
9.27 in paragraph (b) or who are lawfully present in the United States as defined in Code of
9.28 Federal Regulations, title 8, section 103.12, and who otherwise meet eligibility requirements
9.29 of this chapter, are eligible for medical assistance with federal financial participation as
9.30 provided by the federal Children's Health Insurance Program Reauthorization Act of 2009,
9.31 Public Law 111-3.

10.1 (e) Nonimmigrants who otherwise meet the eligibility requirements of this chapter are
10.2 eligible for the benefits as provided in paragraphs (f) to (h). For purposes of this subdivision,
10.3 a "nonimmigrant" is a person in one of the classes listed in United States Code, title 8,
10.4 section 1101(a)(15).

10.5 (f) Payment shall also be made for care and services that are furnished to noncitizens,
10.6 regardless of immigration status, who otherwise meet the eligibility requirements of this
10.7 chapter, if such care and services are necessary for the treatment of an emergency medical
10.8 condition.

10.9 (g) For purposes of this subdivision, the term "emergency medical condition" means a
10.10 medical condition that meets the requirements of United States Code, title 42, section
10.11 1396b(v).

10.12 (h)(1) Notwithstanding paragraph (g), services that are necessary for the treatment of
10.13 an emergency medical condition are limited to the following:

10.14 (i) services delivered in an emergency room or by an ambulance service licensed under
10.15 chapter 144E that are directly related to the treatment of an emergency medical condition;

10.16 (ii) services delivered in an inpatient hospital setting following admission from an
10.17 emergency room or clinic for an acute emergency condition; and

10.18 (iii) follow-up services that are directly related to the original service provided to treat
10.19 the emergency medical condition and are covered by the global payment made to the
10.20 provider.

10.21 (2) Services for the treatment of emergency medical conditions do not include:

10.22 (i) services delivered in an emergency room or inpatient setting to treat a nonemergency
10.23 condition;

10.24 (ii) organ transplants, stem cell transplants, and related care;

10.25 (iii) services for routine prenatal care;

10.26 (iv) continuing care, including long-term care, nursing facility services, home health
10.27 care, adult day care, day training, or supportive living services;

10.28 (v) elective surgery;

10.29 (vi) outpatient prescription drugs, unless the drugs are administered or dispensed as part
10.30 of an emergency room visit;

10.31 (vii) preventative health care and family planning services;

- 11.1 (viii) rehabilitation services;
- 11.2 (ix) physical, occupational, or speech therapy;
- 11.3 (x) transportation services;
- 11.4 (xi) case management;
- 11.5 (xii) prosthetics, orthotics, durable medical equipment, or medical supplies;
- 11.6 (xiii) dental services;
- 11.7 (xiv) hospice care;
- 11.8 (xv) audiology services and hearing aids;
- 11.9 (xvi) podiatry services;
- 11.10 (xvii) chiropractic services;
- 11.11 (xviii) immunizations;
- 11.12 (xix) vision services and eyeglasses;
- 11.13 (xx) waiver services;
- 11.14 (xxi) individualized education programs; or
- 11.15 (xxii) chemical dependency treatment.
- 11.16 (i) Pregnant noncitizens who are ineligible for federally funded medical assistance
11.17 because of immigration status, are not covered by a group health plan or health insurance
11.18 coverage according to Code of Federal Regulations, title 42, section 457.310, and who
11.19 otherwise meet the eligibility requirements of this chapter, are eligible for medical assistance
11.20 through the period of pregnancy, including labor and delivery, and ~~60 days~~ 12 months
11.21 postpartum, ~~to the extent federal funds are available under title XXI of the Social Security~~
11.22 ~~Act, and the state children's health insurance program.~~
- 11.23 (j) Beginning October 1, 2003, persons who are receiving care and rehabilitation services
11.24 from a nonprofit center established to serve victims of torture and are otherwise ineligible
11.25 for medical assistance under this chapter are eligible for medical assistance without federal
11.26 financial participation. These individuals are eligible only for the period during which they
11.27 are receiving services from the center. Individuals eligible under this paragraph shall not
11.28 be required to participate in prepaid medical assistance. The nonprofit center referenced
11.29 under this paragraph may establish itself as a provider of mental health targeted case
11.30 management services through a county contract under section 256.0112, subdivision 6. If
11.31 the nonprofit center is unable to secure a contract with a lead county in its service area, then,

12.1 notwithstanding the requirements of section 256B.0625, subdivision 20, the commissioner
12.2 may negotiate a contract with the nonprofit center for provision of mental health targeted
12.3 case management services. When serving clients who are not the financial responsibility
12.4 of their contracted lead county, the nonprofit center must gain the concurrence of the county
12.5 of financial responsibility prior to providing mental health targeted case management services
12.6 for those clients.

12.7 (k) Notwithstanding paragraph (h), clause (2), the following services are covered as
12.8 emergency medical conditions under paragraph (f) except where coverage is prohibited
12.9 under federal law for services under clauses (1) and (2):

12.10 (1) dialysis services provided in a hospital or freestanding dialysis facility;

12.11 (2) surgery and the administration of chemotherapy, radiation, and related services
12.12 necessary to treat cancer if the recipient has a cancer diagnosis that is not in remission and
12.13 requires surgery, chemotherapy, or radiation treatment; and

12.14 (3) kidney transplant if the person has been diagnosed with end stage renal disease, is
12.15 currently receiving dialysis services, and is a potential candidate for a kidney transplant.

12.16 (l) Effective July 1, 2013, recipients of emergency medical assistance under this
12.17 subdivision are eligible for coverage of the elderly waiver services provided under chapter
12.18 256S, and coverage of rehabilitative services provided in a nursing facility. The age limit
12.19 for elderly waiver services does not apply. In order to qualify for coverage, a recipient of
12.20 emergency medical assistance is subject to the assessment and reassessment requirements
12.21 of section 256B.0911. Initial and continued enrollment under this paragraph is subject to
12.22 the limits of available funding.

12.23 **EFFECTIVE DATE.** This section is effective July 1, 2022, or upon federal approval,
12.24 whichever is later. If federal approval is not obtained, this section is effective on the effective
12.25 date of the amendment to Minnesota Statutes, section 256B.055, subdivision 6, and shall
12.26 be funded using only state funds. The commissioner shall notify the revisor of statutes when
12.27 federal approval has been obtained.

12.28 Sec. 7. Minnesota Statutes 2020, section 256B.0625, subdivision 9, is amended to read:

12.29 Subd. 9. **Dental services.** (a) Medical assistance covers dental services.

12.30 (b) Medical assistance dental coverage for nonpregnant adults is limited to the following
12.31 services:

12.32 (1) comprehensive exams, limited to once every five years;

- 13.1 (2) periodic exams, limited to one per year;
- 13.2 (3) limited exams;
- 13.3 (4) bitewing x-rays, limited to one per year;
- 13.4 (5) periapical x-rays;
- 13.5 (6) panoramic x-rays, limited to one every five years except (1) when medically necessary
- 13.6 for the diagnosis and follow-up of oral and maxillofacial pathology and trauma or (2) once
- 13.7 every two years for patients who cannot cooperate for intraoral film due to a developmental
- 13.8 disability or medical condition that does not allow for intraoral film placement;
- 13.9 (7) prophylaxis, limited to one per year;
- 13.10 (8) application of fluoride varnish, limited to one per year;
- 13.11 (9) posterior fillings, all at the amalgam rate;
- 13.12 (10) anterior fillings;
- 13.13 (11) endodontics, limited to root canals on the anterior and premolars only;
- 13.14 (12) removable prostheses, each dental arch limited to one every six years;
- 13.15 (13) oral surgery, limited to extractions, biopsies, and incision and drainage of abscesses;
- 13.16 (14) palliative treatment and sedative fillings for relief of pain; ~~and~~
- 13.17 (15) full-mouth debridement, limited to one every five years; and
- 13.18 (16) nonsurgical treatment for periodontal disease, including scaling and root planing
- 13.19 once every two years for each quadrant, and routine periodontal maintenance procedures.
- 13.20 (c) In addition to the services specified in paragraph (b), medical assistance covers the
- 13.21 following services for adults, if provided in an outpatient hospital setting or freestanding
- 13.22 ambulatory surgical center as part of outpatient dental surgery:
- 13.23 (1) periodontics, limited to periodontal scaling and root planing once every two years;
- 13.24 (2) general anesthesia; and
- 13.25 (3) full-mouth survey once every five years.
- 13.26 (d) Medical assistance covers medically necessary dental services for children and
- 13.27 pregnant women. The following guidelines apply:
- 13.28 (1) posterior fillings are paid at the amalgam rate;

14.1 (2) application of sealants are covered once every five years per permanent molar for
14.2 children only;

14.3 (3) application of fluoride varnish is covered once every six months; and

14.4 (4) orthodontia is eligible for coverage for children only.

14.5 (e) In addition to the services specified in paragraphs (b) and (c), medical assistance
14.6 covers the following services for adults:

14.7 (1) house calls or extended care facility calls for on-site delivery of covered services;

14.8 (2) behavioral management when additional staff time is required to accommodate
14.9 behavioral challenges and sedation is not used;

14.10 (3) oral or IV sedation, if the covered dental service cannot be performed safely without
14.11 it or would otherwise require the service to be performed under general anesthesia in a
14.12 hospital or surgical center; and

14.13 (4) prophylaxis, in accordance with an appropriate individualized treatment plan, but
14.14 no more than four times per year.

14.15 (f) The commissioner shall not require prior authorization for the services included in
14.16 paragraph (e), clauses (1) to (3), and shall prohibit managed care and county-based purchasing
14.17 plans from requiring prior authorization for the services included in paragraph (e), clauses
14.18 (1) to (3), when provided under sections 256B.69, 256B.692, and 256L.12.

14.19 **EFFECTIVE DATE.** This section is effective July 1, 2021, or upon federal approval,
14.20 whichever is later.

14.21 Sec. 8. Minnesota Statutes 2020, section 256B.0625, subdivision 13, is amended to read:

14.22 Subd. 13. **Drugs.** (a) Medical assistance covers drugs, except for fertility drugs when
14.23 specifically used to enhance fertility, if prescribed by a licensed practitioner and dispensed
14.24 by a licensed pharmacist, by a physician enrolled in the medical assistance program as a
14.25 dispensing physician, or by a physician, a physician assistant, or an advanced practice
14.26 registered nurse employed by or under contract with a community health board as defined
14.27 in section 145A.02, subdivision 5, for the purposes of communicable disease control.

14.28 (b) The dispensed quantity of a prescription drug must not exceed a 34-day supply,
14.29 unless authorized by the commissioner; or the drug appears on the 90-day supply list
14.30 published by the commissioner. The 90-day supply list shall be published by the
14.31 commissioner on the department's website. The commissioner may add to, delete from, and
14.32 otherwise modify the 90-day supply list after providing public notice and the opportunity

15.1 for a 15-day public comment period. The 90-day supply list may include cost-effective
15.2 generic drugs and shall not include controlled substances.

15.3 (c) For the purpose of this subdivision and subdivision 13d, an "active pharmaceutical
15.4 ingredient" is defined as a substance that is represented for use in a drug and when used in
15.5 the manufacturing, processing, or packaging of a drug becomes an active ingredient of the
15.6 drug product. An "excipient" is defined as an inert substance used as a diluent or vehicle
15.7 for a drug. The commissioner shall establish a list of active pharmaceutical ingredients and
15.8 excipients which are included in the medical assistance formulary. Medical assistance covers
15.9 selected active pharmaceutical ingredients and excipients used in compounded prescriptions
15.10 when the compounded combination is specifically approved by the commissioner or when
15.11 a commercially available product:

15.12 (1) is not a therapeutic option for the patient;

15.13 (2) does not exist in the same combination of active ingredients in the same strengths
15.14 as the compounded prescription; and

15.15 (3) cannot be used in place of the active pharmaceutical ingredient in the compounded
15.16 prescription.

15.17 (d) Medical assistance covers the following over-the-counter drugs when prescribed by
15.18 a licensed practitioner or by a licensed pharmacist who meets standards established by the
15.19 commissioner, in consultation with the board of pharmacy: antacids, acetaminophen, family
15.20 planning products, aspirin, insulin, products for the treatment of lice, vitamins for adults
15.21 with documented vitamin deficiencies, vitamins for children under the age of seven and
15.22 pregnant or nursing women, and any other over-the-counter drug identified by the
15.23 commissioner, in consultation with the Formulary Committee, as necessary, appropriate,
15.24 and cost-effective for the treatment of certain specified chronic diseases, conditions, or
15.25 disorders, and this determination shall not be subject to the requirements of chapter 14. A
15.26 pharmacist may prescribe over-the-counter medications as provided under this paragraph
15.27 for purposes of receiving reimbursement under Medicaid. When prescribing over-the-counter
15.28 drugs under this paragraph, licensed pharmacists must consult with the recipient to determine
15.29 necessity, provide drug counseling, review drug therapy for potential adverse interactions,
15.30 and make referrals as needed to other health care professionals.

15.31 (e) Effective January 1, 2006, medical assistance shall not cover drugs that are coverable
15.32 under Medicare Part D as defined in the Medicare Prescription Drug, Improvement, and
15.33 Modernization Act of 2003, Public Law 108-173, section 1860D-2(e), for individuals eligible
15.34 for drug coverage as defined in the Medicare Prescription Drug, Improvement, and

16.1 Modernization Act of 2003, Public Law 108-173, section 1860D-1(a)(3)(A). For these
16.2 individuals, medical assistance may cover drugs from the drug classes listed in United States
16.3 Code, title 42, section 1396r-8(d)(2), subject to this subdivision and subdivisions 13a to
16.4 13g, except that drugs listed in United States Code, title 42, section 1396r-8(d)(2)(E), shall
16.5 not be covered.

16.6 (f) Medical assistance covers drugs acquired through the federal 340B Drug Pricing
16.7 Program and dispensed by 340B covered entities and ambulatory pharmacies under common
16.8 ownership of the 340B covered entity. Medical assistance does not cover drugs acquired
16.9 through the federal 340B Drug Pricing Program and dispensed by 340B contract pharmacies.

16.10 (g) Notwithstanding paragraph (a), medical assistance covers self-administered hormonal
16.11 contraceptives prescribed and dispensed by a licensed pharmacist in accordance with section
16.12 151.37, subdivision 14; nicotine replacement medications prescribed and dispensed by a
16.13 licensed pharmacist in accordance with section 151.37, subdivision 15; and opiate antagonists
16.14 used for the treatment of an acute opiate overdose prescribed and dispensed by a licensed
16.15 pharmacist in accordance with section 151.37, subdivision 16.

16.16 **EFFECTIVE DATE.** This section is effective January 1, 2022.

16.17 Sec. 9. Minnesota Statutes 2020, section 256B.0625, subdivision 13c, is amended to read:

16.18 Subd. 13c. **Formulary Committee.** The commissioner, after receiving recommendations
16.19 from professional medical associations and professional pharmacy associations, and consumer
16.20 groups shall designate a Formulary Committee to carry out duties as described in subdivisions
16.21 13 to 13g. The Formulary Committee shall be comprised of four licensed physicians actively
16.22 engaged in the practice of medicine in Minnesota, one of whom must be actively engaged
16.23 in the treatment of persons with mental illness; at least three licensed pharmacists actively
16.24 engaged in the practice of pharmacy in Minnesota; and one consumer representative; the
16.25 remainder to be made up of health care professionals who are licensed in their field and
16.26 have recognized knowledge in the clinically appropriate prescribing, dispensing, and
16.27 monitoring of covered outpatient drugs. Members of the Formulary Committee shall not
16.28 be employed by the Department of Human Services, but the committee shall be staffed by
16.29 an employee of the department who shall serve as an ex officio, nonvoting member of the
16.30 committee. The department's medical director shall also serve as an ex officio, nonvoting
16.31 member for the committee. Committee members shall serve three-year terms and may be
16.32 reappointed by the commissioner. The Formulary Committee shall meet at least twice per
16.33 year. The commissioner may require more frequent Formulary Committee meetings as
16.34 needed. An honorarium of \$100 per meeting and reimbursement for mileage shall be paid

17.1 to each committee member in attendance. The Formulary Committee expires June 30, 2022
17.2 2023.

17.3 Sec. 10. Minnesota Statutes 2020, section 256B.0625, subdivision 13d, is amended to
17.4 read:

17.5 Subd. 13d. **Drug formulary.** (a) The commissioner shall establish a drug formulary. Its
17.6 establishment and publication shall not be subject to the requirements of the Administrative
17.7 Procedure Act, but the Formulary Committee shall review and comment on the formulary
17.8 contents.

17.9 (b) The formulary shall not include:

17.10 (1) drugs, active pharmaceutical ingredients, or products for which there is no federal
17.11 funding;

17.12 (2) over-the-counter drugs, except as provided in subdivision 13;

17.13 ~~(3) drugs or active pharmaceutical ingredients used for weight loss, except that medically~~
17.14 ~~necessary lipase inhibitors may be covered for a recipient with type II diabetes;~~

17.15 ~~(4)~~ (3) drugs or active pharmaceutical ingredients when used for the treatment of
17.16 impotence or erectile dysfunction;

17.17 ~~(5)~~ (4) drugs or active pharmaceutical ingredients for which medical value has not been
17.18 established;

17.19 ~~(6)~~ (5) drugs from manufacturers who have not signed a rebate agreement with the
17.20 Department of Health and Human Services pursuant to section 1927 of title XIX of the
17.21 Social Security Act; and

17.22 ~~(7)~~ (6) medical cannabis as defined in section 152.22, subdivision 6.

17.23 (c) If a single-source drug used by at least two percent of the fee-for-service medical
17.24 assistance recipients is removed from the formulary due to the failure of the manufacturer
17.25 to sign a rebate agreement with the Department of Health and Human Services, the
17.26 commissioner shall notify prescribing practitioners within 30 days of receiving notification
17.27 from the Centers for Medicare and Medicaid Services (CMS) that a rebate agreement was
17.28 not signed.

17.29 **EFFECTIVE DATE.** This section is effective July 1, 2021, or upon federal approval,
17.30 whichever is later. The commissioner shall notify the revisor of statutes when federal
17.31 approval is obtained.

18.1 Sec. 11. Minnesota Statutes 2020, section 256B.0625, subdivision 13e, is amended to
18.2 read:

18.3 Subd. 13e. **Payment rates.** (a) The basis for determining the amount of payment shall
18.4 be the lower of the ingredient costs of the drugs plus the professional dispensing fee; or the
18.5 usual and customary price charged to the public. The usual and customary price means the
18.6 lowest price charged by the provider to a patient who pays for the prescription by cash,
18.7 check, or charge account and includes prices the pharmacy charges to a patient enrolled in
18.8 a prescription savings club or prescription discount club administered by the pharmacy or
18.9 pharmacy chain. The amount of payment basis must be reduced to reflect all discount
18.10 amounts applied to the charge by any third-party provider/insurer agreement or contract for
18.11 submitted charges to medical assistance programs. The net submitted charge may not be
18.12 greater than the patient liability for the service. The professional dispensing fee shall be
18.13 ~~\$10.48~~ \$10.77 for prescriptions filled with legend drugs meeting the definition of "covered
18.14 outpatient drugs" according to United States Code, title 42, section 1396r-8(k)(2). The
18.15 dispensing fee for intravenous solutions that must be compounded by the pharmacist shall
18.16 be ~~\$10.48~~ \$10.77 per ~~bag~~ claim. The professional dispensing fee for prescriptions filled
18.17 with over-the-counter drugs meeting the definition of covered outpatient drugs shall be
18.18 ~~\$10.48~~ \$10.77 for dispensed quantities equal to or greater than the number of units contained
18.19 in the manufacturer's original package. The professional dispensing fee shall be prorated
18.20 based on the percentage of the package dispensed when the pharmacy dispenses a quantity
18.21 less than the number of units contained in the manufacturer's original package. The pharmacy
18.22 dispensing fee for prescribed over-the-counter drugs not meeting the definition of covered
18.23 outpatient drugs shall be \$3.65 for quantities equal to or greater than the number of units
18.24 contained in the manufacturer's original package and shall be prorated based on the
18.25 percentage of the package dispensed when the pharmacy dispenses a quantity less than the
18.26 number of units contained in the manufacturer's original package. The National Average
18.27 Drug Acquisition Cost (NADAC) shall be used to determine the ingredient cost of a drug.
18.28 For drugs for which a NADAC is not reported, the commissioner shall estimate the ingredient
18.29 cost at the wholesale acquisition cost minus two percent. The ingredient cost of a drug for
18.30 a provider participating in the federal 340B Drug Pricing Program shall be either the 340B
18.31 Drug Pricing Program ceiling price established by the Health Resources and Services
18.32 Administration or NADAC, whichever is lower. Wholesale acquisition cost is defined as
18.33 the manufacturer's list price for a drug or biological to wholesalers or direct purchasers in
18.34 the United States, not including prompt pay or other discounts, rebates, or reductions in
18.35 price, for the most recent month for which information is available, as reported in wholesale
18.36 price guides or other publications of drug or biological pricing data. The maximum allowable

19.1 cost of a multisource drug may be set by the commissioner and it shall be comparable to
19.2 the actual acquisition cost of the drug product and no higher than the NADAC of the generic
19.3 product. Establishment of the amount of payment for drugs shall not be subject to the
19.4 requirements of the Administrative Procedure Act.

19.5 (b) Pharmacies dispensing prescriptions to residents of long-term care facilities using
19.6 an automated drug distribution system meeting the requirements of section 151.58, or a
19.7 packaging system meeting the packaging standards set forth in Minnesota Rules, part
19.8 6800.2700, that govern the return of unused drugs to the pharmacy for reuse, may employ
19.9 retrospective billing for prescription drugs dispensed to long-term care facility residents. A
19.10 retrospectively billing pharmacy must submit a claim only for the quantity of medication
19.11 used by the enrolled recipient during the defined billing period. A retrospectively billing
19.12 pharmacy must use a billing period not less than one calendar month or 30 days.

19.13 (c) A pharmacy provider using packaging that meets the standards set forth in Minnesota
19.14 Rules, part 6800.2700, is required to credit the department for the actual acquisition cost
19.15 of all unused drugs that are eligible for reuse, unless the pharmacy is using retrospective
19.16 billing. The commissioner may permit the drug clozapine to be dispensed in a quantity that
19.17 is less than a 30-day supply.

19.18 (d) If a pharmacy dispenses a multisource drug, the ingredient cost shall be the NADAC
19.19 of the generic product or the maximum allowable cost established by the commissioner
19.20 unless prior authorization for the brand name product has been granted according to the
19.21 criteria established by the Drug Formulary Committee as required by subdivision 13f,
19.22 paragraph (a), and the prescriber has indicated "dispense as written" on the prescription in
19.23 a manner consistent with section 151.21, subdivision 2.

19.24 (e) The basis for determining the amount of payment for drugs administered in an
19.25 outpatient setting shall be the lower of the usual and customary cost submitted by the
19.26 provider, 106 percent of the average sales price as determined by the United States
19.27 Department of Health and Human Services pursuant to title XVIII, section 1847a of the
19.28 federal Social Security Act, the specialty pharmacy rate, or the maximum allowable cost
19.29 set by the commissioner. If average sales price is unavailable, the amount of payment must
19.30 be lower of the usual and customary cost submitted by the provider, the wholesale acquisition
19.31 cost, the specialty pharmacy rate, or the maximum allowable cost set by the commissioner.
19.32 The commissioner shall discount the payment rate for drugs obtained through the federal
19.33 340B Drug Pricing Program by 28.6 percent. The payment for drugs administered in an
19.34 outpatient setting shall be made to the administering facility or practitioner. A retail or

20.1 specialty pharmacy dispensing a drug for administration in an outpatient setting is not
20.2 eligible for direct reimbursement.

20.3 (f) The commissioner may establish maximum allowable cost rates for specialty pharmacy
20.4 products that are lower than the ingredient cost formulas specified in paragraph (a). The
20.5 commissioner may require individuals enrolled in the health care programs administered
20.6 by the department to obtain specialty pharmacy products from providers with whom the
20.7 commissioner has negotiated lower reimbursement rates. Specialty pharmacy products are
20.8 defined as those used by a small number of recipients or recipients with complex and chronic
20.9 diseases that require expensive and challenging drug regimens. Examples of these conditions
20.10 include, but are not limited to: multiple sclerosis, HIV/AIDS, transplantation, hepatitis C,
20.11 growth hormone deficiency, Crohn's Disease, rheumatoid arthritis, and certain forms of
20.12 cancer. Specialty pharmaceutical products include injectable and infusion therapies,
20.13 biotechnology drugs, antihemophilic factor products, high-cost therapies, and therapies that
20.14 require complex care. The commissioner shall consult with the Formulary Committee to
20.15 develop a list of specialty pharmacy products subject to maximum allowable cost
20.16 reimbursement. In consulting with the Formulary Committee in developing this list, the
20.17 commissioner shall take into consideration the population served by specialty pharmacy
20.18 products, the current delivery system and standard of care in the state, and access to care
20.19 issues. The commissioner shall have the discretion to adjust the maximum allowable cost
20.20 to prevent access to care issues.

20.21 (g) Home infusion therapy services provided by home infusion therapy pharmacies must
20.22 be paid at rates according to subdivision 8d.

20.23 (h) The commissioner shall contract with a vendor to conduct a cost of dispensing survey
20.24 for all pharmacies that are physically located in the state of Minnesota that dispense outpatient
20.25 drugs under medical assistance. The commissioner shall ensure that the vendor has prior
20.26 experience in conducting cost of dispensing surveys. Each pharmacy enrolled with the
20.27 department to dispense outpatient prescription drugs to fee-for-service members must
20.28 respond to the cost of dispensing survey. The commissioner may sanction a pharmacy under
20.29 section 256B.064 for failure to respond. The commissioner shall require the vendor to
20.30 measure a single statewide cost of dispensing for specialty prescription drugs and a single
20.31 statewide cost of dispensing for nonspecialty prescription drugs for all responding pharmacies
20.32 to measure the mean, mean weighted by total prescription volume, mean weighted by
20.33 medical assistance prescription volume, median, median weighted by total prescription
20.34 volume, and median weighted by total medical assistance prescription volume. The
20.35 commissioner shall post a copy of the final cost of dispensing survey report on the

21.1 department's website. The initial survey must be completed no later than January 1, 2021,
21.2 and repeated every three years. The commissioner shall provide a summary of the results
21.3 of each cost of dispensing survey and provide recommendations for any changes to the
21.4 dispensing fee to the chairs and ranking members of the legislative committees with
21.5 jurisdiction over medical assistance pharmacy reimbursement.

21.6 (i) The commissioner shall increase the ingredient cost reimbursement calculated in
21.7 paragraphs (a) and (f) by 1.8 percent for prescription and nonprescription drugs subject to
21.8 the wholesale drug distributor tax under section 295.52.

21.9 **EFFECTIVE DATE.** This section is effective January 1, 2022, except the amendment
21.10 to paragraph (h) is effective the day following final enactment.

21.11 Sec. 12. Minnesota Statutes 2020, section 256B.0625, subdivision 13g, is amended to
21.12 read:

21.13 Subd. 13g. **Preferred drug list.** (a) The commissioner shall adopt and implement a
21.14 preferred drug list by January 1, 2004. The commissioner may enter into a contract with a
21.15 vendor for the purpose of participating in a preferred drug list and supplemental rebate
21.16 program. The commissioner shall ensure that any contract meets all federal requirements
21.17 and maximizes federal financial participation. The commissioner shall publish the preferred
21.18 drug list annually in the State Register and shall maintain an accurate and up-to-date list on
21.19 the agency website.

21.20 (b) The commissioner may add to, delete from, and otherwise modify the preferred drug
21.21 list, after consulting with the Formulary Committee and appropriate medical specialists and
21.22 providing public notice and the opportunity for public comment.

21.23 (c) The commissioner shall adopt and administer the preferred drug list as part of the
21.24 administration of the supplemental drug rebate program. Reimbursement for prescription
21.25 drugs not on the preferred drug list may be subject to prior authorization.

21.26 (d) For purposes of this subdivision, "preferred drug list" means a list of prescription
21.27 drugs within designated therapeutic classes selected by the commissioner, for which prior
21.28 authorization based on the identity of the drug or class is not required.

21.29 (e) The commissioner shall seek any federal waivers or approvals necessary to implement
21.30 this subdivision.

21.31 (f) Notwithstanding paragraph (b), before the commissioner may delete a drug from the
21.32 preferred drug list or modify the inclusion of a drug on the preferred drug list, the
21.33 commissioner shall consider any implications that the deletion or modification may have

22.1 on state public health policies or initiatives and any impact that the deletion or modification
22.2 may have on increasing health disparities in the state. Prior to deleting a drug or modifying
22.3 the inclusion of a drug, the commissioner shall also conduct a public hearing. The
22.4 commissioner shall provide adequate notice to the public and the commissioner of health
22.5 prior to the hearing that specifies the drug that the commissioner is proposing to delete or
22.6 modify, any public medical or clinical analysis that the commissioner has relied on in
22.7 proposing the deletion or modification, and evidence that the commissioner has evaluated
22.8 the impact of the proposed deletion or modification on public health and health disparities.

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

22.10 Sec. 13. Minnesota Statutes 2020, section 256B.0625, subdivision 18, is amended to read:

22.11 Subd. 18. **Bus Public transit or taxicab transportation.** (a) To the extent authorized
22.12 by rule of the state agency, medical assistance covers the most appropriate and cost-effective
22.13 form of transportation incurred by any ambulatory eligible person for obtaining
22.14 nonemergency medical care.

22.15 (b) The commissioner may provide a monthly public transit pass to recipients who are
22.16 well-served by public transit for the recipient's nonemergency medical transportation needs.
22.17 Any recipient who is eligible for one public transit trip for a medically necessary covered
22.18 service may select to receive a transit pass for that month. Recipients who do not have any
22.19 transportation needs for a medically necessary service in any given month or who have
22.20 received a transit pass for that month through another program administered by a county or
22.21 Tribe are not eligible for a transit pass that month. The commissioner shall not require
22.22 recipients to select a monthly transit pass if the recipient's transportation needs cannot be
22.23 served by public transit systems. Recipients who receive a monthly transit pass are not
22.24 eligible for other modes of transportation, unless an unexpected need arises that cannot be
22.25 accessed through public transit.

22.26 **EFFECTIVE DATE.** This section is effective July 1, 2021.

22.27 Sec. 14. Minnesota Statutes 2020, section 256B.0625, subdivision 31, is amended to read:

22.28 Subd. 31. **Medical supplies and equipment.** (a) Medical assistance covers medical
22.29 supplies and equipment. Separate payment outside of the facility's payment rate shall be
22.30 made for wheelchairs and wheelchair accessories for recipients who are residents of
22.31 intermediate care facilities for the developmentally disabled. Reimbursement for wheelchairs
22.32 and wheelchair accessories for ICF/DD recipients shall be subject to the same conditions

23.1 and limitations as coverage for recipients who do not reside in institutions. A wheelchair
23.2 purchased outside of the facility's payment rate is the property of the recipient.

23.3 (b) Vendors of durable medical equipment, prosthetics, orthotics, or medical supplies
23.4 must enroll as a Medicare provider.

23.5 (c) When necessary to ensure access to durable medical equipment, prosthetics, orthotics,
23.6 or medical supplies, the commissioner may exempt a vendor from the Medicare enrollment
23.7 requirement if:

23.8 (1) the vendor supplies only one type of durable medical equipment, prosthetic, orthotic,
23.9 or medical supply;

23.10 (2) the vendor serves ten or fewer medical assistance recipients per year;

23.11 (3) the commissioner finds that other vendors are not available to provide same or similar
23.12 durable medical equipment, prosthetics, orthotics, or medical supplies; and

23.13 (4) the vendor complies with all screening requirements in this chapter and Code of
23.14 Federal Regulations, title 42, part 455. The commissioner may also exempt a vendor from
23.15 the Medicare enrollment requirement if the vendor is accredited by a Centers for Medicare
23.16 and Medicaid Services approved national accreditation organization as complying with the
23.17 Medicare program's supplier and quality standards and the vendor serves primarily pediatric
23.18 patients.

23.19 (d) Durable medical equipment means a device or equipment that:

23.20 (1) can withstand repeated use;

23.21 (2) is generally not useful in the absence of an illness, injury, or disability; and

23.22 (3) is provided to correct or accommodate a physiological disorder or physical condition
23.23 or is generally used primarily for a medical purpose.

23.24 (e) Electronic tablets may be considered durable medical equipment if the electronic
23.25 tablet will be used as an augmentative and alternative communication system as defined
23.26 under subdivision 31a, paragraph (a). To be covered by medical assistance, the device must
23.27 be locked in order to prevent use not related to communication.

23.28 (f) Notwithstanding the requirement in paragraph (e) that an electronic tablet must be
23.29 locked to prevent use not as an augmentative communication device, a recipient of waiver
23.30 services may use an electronic tablet for a use not related to communication when the
23.31 recipient has been authorized under the waiver to receive one or more additional applications

24.1 that can be loaded onto the electronic tablet, such that allowing the additional use prevents
24.2 the purchase of a separate electronic tablet with waiver funds.

24.3 (g) An order or prescription for medical supplies, equipment, or appliances must meet
24.4 the requirements in Code of Federal Regulations, title 42, part 440.70.

24.5 (h) Allergen-reducing products provided according to subdivision 67, paragraph (c) or
24.6 (d), shall be considered durable medical equipment.

24.7 **EFFECTIVE DATE.** This section is effective January 1, 2022, or upon federal approval,
24.8 whichever is later. The commissioner of human services shall notify the revisor of statutes
24.9 when federal approval is obtained.

24.10 Sec. 15. Minnesota Statutes 2020, section 256B.0625, subdivision 58, is amended to read:

24.11 Subd. 58. **Early and periodic screening, diagnosis, and treatment services.** (a) Medical
24.12 assistance covers early and periodic screening, diagnosis, and treatment services (EPSDT).
24.13 In administering the EPSDT program, the commissioner shall, at a minimum:

24.14 (1) provide information to children and families, using the most effective mode identified,
24.15 regarding:

24.16 (i) the benefits of preventative health care visits;

24.17 (ii) the services available as part of the EPSDT program; and

24.18 (iii) assistance finding a provider, transportation, or interpreter services;

24.19 (2) maintain an up-to-date periodicity schedule published in the department policy
24.20 manual, taking into consideration the most up-to-date community standard of care; and

24.21 (3) maintain up-to-date policies for providers on the delivery of EPSDT services that
24.22 are in the provider manual on the department website.

24.23 (b) The commissioner may contract for the administration of the outreach services as
24.24 required within the EPSDT program.

24.25 (c) The commissioner may contract for the required EPSDT outreach services, including
24.26 but not limited to children enrolled or attributed to an integrated health partnership
24.27 demonstration project described in section 256B.0755. Integrated health partnerships that
24.28 choose to include the EPSDT outreach services within the integrated health partnership's
24.29 contracted responsibilities must receive compensation from the commissioner on a
24.30 per-member per-month basis for each included child. Integrated health partnerships must
24.31 accept responsibility for the effectiveness of outreach services it delivers. For children who

25.1 are not a part of the demonstration project, the commissioner may contract for the
25.2 administration of the outreach services.

25.3 (d) The payment amount for a complete EPSDT screening shall not include charges for
25.4 health care services and products that are available at no cost to the provider and shall not
25.5 exceed the rate established per Minnesota Rules, part 9505.0445, item M, effective October
25.6 1, 2010.

25.7 **EFFECTIVE DATE.** This section is effective July 1, 2021, except that paragraph (c)
25.8 is effective January 1, 2022.

25.9 Sec. 16. Minnesota Statutes 2020, section 256B.0625, is amended by adding a subdivision
25.10 to read:

25.11 Subd. 67. **Enhanced asthma care services.** (a) Medical assistance covers enhanced
25.12 asthma care services and related products to be provided in the children's homes for children
25.13 with poorly controlled asthma. To be eligible for services and products under this subdivision,
25.14 a child must:

25.15 (1) have poorly controlled asthma defined by having received health care for the child's
25.16 asthma from a hospital emergency department at least one time in the past year or have
25.17 been hospitalized for the treatment of asthma at least one time in the past year; and

25.18 (2) receive a referral for services and products under this subdivision from a treating
25.19 health care provider.

25.20 (b) Covered services include home visits provided by a registered environmental health
25.21 specialist or lead risk assessor currently credentialed by the Department of Health or a
25.22 healthy homes specialist credentialed by the Building Performance Institute.

25.23 (c) Covered products include the following allergen-reducing products that are identified
25.24 as needed and recommended for the child by a registered environmental health specialist,
25.25 healthy homes specialist, lead risk assessor, certified asthma educator, public health nurse,
25.26 or other health care professional providing asthma care for the child, and proven to reduce
25.27 asthma triggers:

25.28 (1) allergen encasements for mattresses, box springs, and pillows;

25.29 (2) an allergen-rated vacuum cleaner, filters, and bags;

25.30 (3) a dehumidifier and filters;

25.31 (4) HEPA single-room air cleaners and filters;

26.1 (5) integrated pest management, including traps and starter packages of food storage
26.2 containers;

26.3 (6) a damp mopping system;

26.4 (7) if the child does not have access to a bed, a waterproof hospital-grade mattress; and

26.5 (8) for homeowners only, furnace filters.

26.6 (d) The commissioner shall determine additional products that may be covered as new
26.7 best practices for asthma care are identified.

26.8 (e) A home assessment is a home visit to identify asthma triggers in the home and to
26.9 provide education on trigger-reducing products. A child is limited to two home assessments
26.10 except that a child may receive an additional home assessment if the child moves to a new
26.11 home; if a new asthma trigger, including tobacco smoke, enters the home; or if the child's
26.12 health care provider identifies a new allergy for the child, including an allergy to mold,
26.13 pests, pets, or dust mites. The commissioner shall determine the frequency with which a
26.14 child may receive a product under paragraph (c) or (d) based on the reasonable expected
26.15 lifetime of the product.

26.16 **EFFECTIVE DATE.** This section is effective January 1, 2022, or upon federal approval,
26.17 whichever is later. The commissioner of human services shall notify the revisor of statutes
26.18 when federal approval is obtained.

26.19 Sec. 17. Minnesota Statutes 2020, section 256B.0631, subdivision 1, is amended to read:

26.20 Subdivision 1. **Cost-sharing.** (a) Except as provided in subdivision 2, the medical
26.21 assistance benefit plan shall include the following cost-sharing for all recipients, effective
26.22 for services provided on or after September 1, 2011:

26.23 (1) \$3 per nonpreventive visit, except as provided in paragraph (b). For purposes of this
26.24 subdivision, a visit means an episode of service which is required because of a recipient's
26.25 symptoms, diagnosis, or established illness, and which is delivered in an ambulatory setting
26.26 by a physician or physician assistant, chiropractor, podiatrist, nurse midwife, advanced
26.27 practice nurse, audiologist, optician, or optometrist;

26.28 (2) \$3.50 for nonemergency visits to a hospital-based emergency room, except that this
26.29 co-payment shall be increased to \$20 upon federal approval;

26.30 (3) \$3 per brand-name drug prescription ~~and~~, \$1 per generic drug prescription, and \$1
26.31 per prescription for a brand-name multisource drug listed in preferred status on the preferred

27.1 drug list, subject to a \$12 per month maximum for prescription drug co-payments. No
27.2 co-payments shall apply to antipsychotic drugs when used for the treatment of mental illness;

27.3 (4) a family deductible equal to \$2.75 per month per family and adjusted annually by
27.4 the percentage increase in the medical care component of the CPI-U for the period of
27.5 September to September of the preceding calendar year, rounded to the next higher five-cent
27.6 increment; and

27.7 (5) total monthly cost-sharing must not exceed five percent of family income. For
27.8 purposes of this paragraph, family income is the total earned and unearned income of the
27.9 individual and the individual's spouse, if the spouse is enrolled in medical assistance and
27.10 also subject to the five percent limit on cost-sharing. This paragraph does not apply to
27.11 premiums charged to individuals described under section 256B.057, subdivision 9.

27.12 (b) Recipients of medical assistance are responsible for all co-payments and deductibles
27.13 in this subdivision.

27.14 (c) Notwithstanding paragraph (b), the commissioner, through the contracting process
27.15 under sections 256B.69 and 256B.692, may allow managed care plans and county-based
27.16 purchasing plans to waive the family deductible under paragraph (a), clause (4). The value
27.17 of the family deductible shall not be included in the capitation payment to managed care
27.18 plans and county-based purchasing plans. Managed care plans and county-based purchasing
27.19 plans shall certify annually to the commissioner the dollar value of the family deductible.

27.20 (d) Notwithstanding paragraph (b), the commissioner may waive the collection of the
27.21 family deductible described under paragraph (a), clause (4), from individuals and allow
27.22 long-term care and waived service providers to assume responsibility for payment.

27.23 (e) Notwithstanding paragraph (b), the commissioner, through the contracting process
27.24 under section 256B.0756 shall allow the pilot program in Hennepin County to waive
27.25 co-payments. The value of the co-payments shall not be included in the capitation payment
27.26 amount to the integrated health care delivery networks under the pilot program.

27.27 **EFFECTIVE DATE.** This section is effective January 1, 2022.

27.28 Sec. 18. Minnesota Statutes 2020, section 256B.69, is amended by adding a subdivision
27.29 to read:

27.30 **Subd. 6f. Dental fee schedules.** (a) A managed care plan, county-based purchasing plan,
27.31 or dental benefits administrator must provide individual dental providers, upon request, the
27.32 applicable fee schedules for covered dental services provided under the contract between

28.1 the dental provider and the managed care plan, county-based purchasing plan, or dental
28.2 benefits administrator.

28.3 (b) A managed care plan, county-based purchasing plan, or dental benefits administrator
28.4 may fulfill this requirement by making the applicable fee schedules available through a
28.5 secure web portal for the contracted dental provider to access.

28.6 (c) For purposes of this subdivision, "dental benefits administrator" means an organization
28.7 licensed under chapter 62C or 62D that contracts with a managed care plan or county-based
28.8 purchasing plan to provide covered dental care services to enrollees of the plan.

28.9 Sec. 19. Minnesota Statutes 2020, section 256B.69, is amended by adding a subdivision
28.10 to read:

28.11 Subd. 6g. **Uniform dental credentialing process.** (a) By January 1, 2022, the managed
28.12 care plans, county-based purchasing plans, and dental benefit administrators that contract
28.13 with the commissioner or subcontract with plans to provide dental services to medical
28.14 assistance or MinnesotaCare enrollees shall develop a uniform credentialing process for
28.15 dental providers.

28.16 (b) The process developed in this subdivision must include a uniform credentialing
28.17 application that must be available in electronic format and accessible on each plan or dental
28.18 benefit administrator's website. The process developed under this subdivision must include
28.19 an option to electronically submit a completed application. The uniform credentialing
28.20 application must be available for free to providers.

28.21 (c) If applicable, a managed care plan, county-based purchasing plan, dental benefit
28.22 administrator, contractor, or vendor that reviews and approves a credentialing application
28.23 must notify a provider regarding a deficiency on a submitted credentialing application form
28.24 no later than 30 business days after receiving the application form from the provider.

28.25 (d) For purposes of this subdivision, "dental benefits administrator" means an
28.26 organization, including an organization licensed under chapter 62C or 62D, that contracts
28.27 with a managed care plan or county-based purchasing plan to provide covered dental care
28.28 services to enrollees of the plan.

28.29 (e) This subdivision must be in compliance with the federal requirements for Medicaid
28.30 and Basic Health Program provider enrollment.

29.1 Sec. 20. Minnesota Statutes 2020, section 256B.69, is amended by adding a subdivision
29.2 to read:

29.3 Subd. 9f. **Annual report on provider reimbursement rates.** (a) The commissioner,
29.4 by December 15 of each year, beginning December 15, 2021, shall submit to the chairs and
29.5 ranking minority members of the legislative committees with jurisdiction over health care
29.6 policy and finance a report on managed care and county-based purchasing plan provider
29.7 reimbursement rates.

29.8 (b) The report must include, for each managed care and county-based purchasing plan,
29.9 the mean and median provider reimbursement rates by county for the calendar year preceding
29.10 the reporting year, for the five most common billing codes statewide across all plans, in
29.11 each of the following provider service categories if within the county there are more than
29.12 three medical assistance enrolled providers providing the specific service within the specific
29.13 category:

29.14 (1) physician prenatal services;

29.15 (2) physician preventive services;

29.16 (3) physician services other than prenatal or preventive;

29.17 (4) dental services;

29.18 (5) inpatient hospital services;

29.19 (6) outpatient hospital services; and

29.20 (7) mental health services.

29.21 (c) The commissioner shall also include in the report:

29.22 (1) the mean and median reimbursement rates across all plans by county for the calendar
29.23 year preceding the reporting year for the billing codes and provider service categories
29.24 described in paragraph (b); and

29.25 (2) the mean and median fee-for-service reimbursement rates by county for the calendar
29.26 year preceding the reporting year for the billing codes and provider service categories
29.27 described in paragraph (b).

29.28 Sec. 21. Minnesota Statutes 2020, section 256B.75, is amended to read:

29.29 **256B.75 HOSPITAL OUTPATIENT REIMBURSEMENT.**

29.30 (a) For outpatient hospital facility fee payments for services rendered on or after October
29.31 1, 1992, the commissioner of human services shall pay the lower of (1) submitted charge,

30.1 or (2) 32 percent above the rate in effect on June 30, 1992, except for those services for
30.2 which there is a federal maximum allowable payment. Effective for services rendered on
30.3 or after January 1, 2000, payment rates for nonsurgical outpatient hospital facility fees and
30.4 emergency room facility fees shall be increased by eight percent over the rates in effect on
30.5 December 31, 1999, except for those services for which there is a federal maximum allowable
30.6 payment. Services for which there is a federal maximum allowable payment shall be paid
30.7 at the lower of (1) submitted charge, or (2) the federal maximum allowable payment. Total
30.8 aggregate payment for outpatient hospital facility fee services shall not exceed the Medicare
30.9 upper limit. If it is determined that a provision of this section conflicts with existing or
30.10 future requirements of the United States government with respect to federal financial
30.11 participation in medical assistance, the federal requirements prevail. The commissioner
30.12 may, in the aggregate, prospectively reduce payment rates to avoid reduced federal financial
30.13 participation resulting from rates that are in excess of the Medicare upper limitations.

30.14 (b) Notwithstanding paragraph (a), payment for outpatient, emergency, and ambulatory
30.15 surgery hospital facility fee services for critical access hospitals designated under section
30.16 144.1483, clause (9), shall be paid on a cost-based payment system that is based on the
30.17 cost-finding methods and allowable costs of the Medicare program. Effective for services
30.18 provided on or after July 1, 2015, rates established for critical access hospitals under this
30.19 paragraph for the applicable payment year shall be the final payment and shall not be settled
30.20 to actual costs. Effective for services delivered on or after the first day of the hospital's fiscal
30.21 year ending in 2017, the rate for outpatient hospital services shall be computed using
30.22 information from each hospital's Medicare cost report as filed with Medicare for the year
30.23 that is two years before the year that the rate is being computed. Rates shall be computed
30.24 using information from Worksheet C series until the department finalizes the medical
30.25 assistance cost reporting process for critical access hospitals. After the cost reporting process
30.26 is finalized, rates shall be computed using information from Title XIX Worksheet D series.
30.27 The outpatient rate shall be equal to ancillary cost plus outpatient cost, excluding costs
30.28 related to rural health clinics and federally qualified health clinics, divided by ancillary
30.29 charges plus outpatient charges, excluding charges related to rural health clinics and federally
30.30 qualified health clinics.

30.31 (c) Effective for services provided on or after July 1, 2003, rates that are based on the
30.32 Medicare outpatient prospective payment system shall be replaced by a budget neutral
30.33 prospective payment system that is derived using medical assistance data. The commissioner
30.34 shall provide a proposal to the 2003 legislature to define and implement this provision.
30.35 When implementing prospective payment methodologies, the commissioner shall use general

31.1 methods and rate calculation parameters similar to the applicable Medicare prospective
31.2 payment systems for services delivered in outpatient hospital and ambulatory surgical center
31.3 settings unless other payment methodologies for these services are specified in this chapter.

31.4 (d) For fee-for-service services provided on or after July 1, 2002, the total payment,
31.5 before third-party liability and spenddown, made to hospitals for outpatient hospital facility
31.6 services is reduced by .5 percent from the current statutory rate.

31.7 (e) In addition to the reduction in paragraph (d), the total payment for fee-for-service
31.8 services provided on or after July 1, 2003, made to hospitals for outpatient hospital facility
31.9 services before third-party liability and spenddown, is reduced five percent from the current
31.10 statutory rates. Facilities defined under section 256.969, subdivision 16, are excluded from
31.11 this paragraph.

31.12 (f) In addition to the reductions in paragraphs (d) and (e), the total payment for
31.13 fee-for-service services provided on or after July 1, 2008, made to hospitals for outpatient
31.14 hospital facility services before third-party liability and spenddown, is reduced three percent
31.15 from the current statutory rates. Mental health services and facilities defined under section
31.16 256.969, subdivision 16, are excluded from this paragraph.

31.17 Sec. 22. Minnesota Statutes 2020, section 256B.76, subdivision 2, is amended to read:

31.18 Subd. 2. **Dental reimbursement.** (a) Effective for services rendered on or after October
31.19 1, 1992, the commissioner shall make payments for dental services as follows:

31.20 (1) dental services shall be paid at the lower of (i) submitted charges, or (ii) 25 percent
31.21 above the rate in effect on June 30, 1992; and

31.22 (2) dental rates shall be converted from the 50th percentile of 1982 to the 50th percentile
31.23 of 1989, less the percent in aggregate necessary to equal the above increases.

31.24 (b) Beginning October 1, 1999, the payment for tooth sealants and fluoride treatments
31.25 shall be the lower of (1) submitted charge, or (2) 80 percent of median 1997 charges.

31.26 (c) Effective for services rendered on or after January 1, 2000, payment rates for dental
31.27 services shall be increased by three percent over the rates in effect on December 31, 1999.

31.28 (d) Effective for services provided on or after January 1, 2002, payment for diagnostic
31.29 examinations and dental x-rays provided to children under age 21 shall be the lower of (1)
31.30 the submitted charge, or (2) 85 percent of median 1999 charges.

31.31 (e) The increases listed in paragraphs (b) and (c) shall be implemented January 1, 2000,
31.32 for managed care.

32.1 (f) Effective for dental services rendered on or after October 1, 2010, by a state-operated
32.2 dental clinic, payment shall be paid on a reasonable cost basis that is based on the Medicare
32.3 principles of reimbursement. This payment shall be effective for services rendered on or
32.4 after January 1, 2011, to recipients enrolled in managed care plans or county-based
32.5 purchasing plans.

32.6 (g) Beginning in fiscal year 2011, if the payments to state-operated dental clinics in
32.7 paragraph (f), including state and federal shares, are less than \$1,850,000 per fiscal year, a
32.8 supplemental state payment equal to the difference between the total payments in paragraph
32.9 (f) and \$1,850,000 shall be paid from the general fund to state-operated services for the
32.10 operation of the dental clinics.

32.11 ~~(h) If the cost-based payment system for state-operated dental clinics described in~~
32.12 ~~paragraph (f) does not receive federal approval, then state-operated dental clinics shall be~~
32.13 ~~designated as critical access dental providers under subdivision 4, paragraph (b), and shall~~
32.14 ~~receive the critical access dental reimbursement rate as described under subdivision 4,~~
32.15 ~~paragraph (a).~~

32.16 ~~(i) Effective for services rendered on or after September 1, 2011, through June 30, 2013,~~
32.17 ~~payment rates for dental services shall be reduced by three percent. This reduction does not~~
32.18 ~~apply to state-operated dental clinics in paragraph (f).~~

32.19 ~~(j)~~ (h) Effective for services rendered on or after January 1, 2014, through December
32.20 31, 2021, payment rates for dental services shall be increased by five percent from the rates
32.21 in effect on December 31, 2013. This increase does not apply to state-operated dental clinics
32.22 in paragraph (f), federally qualified health centers, rural health centers, and Indian health
32.23 services. Effective January 1, 2014, payments made to managed care plans and county-based
32.24 purchasing plans under sections 256B.69, 256B.692, and 256L.12 shall reflect the payment
32.25 increase described in this paragraph.

32.26 ~~(k) Effective for services rendered on or after July 1, 2015, through December 31, 2016,~~
32.27 ~~the commissioner shall increase payment rates for services furnished by dental providers~~
32.28 ~~located outside of the seven-county metropolitan area by the maximum percentage possible~~
32.29 ~~above the rates in effect on June 30, 2015, while remaining within the limits of funding~~
32.30 ~~appropriated for this purpose. This increase does not apply to state-operated dental clinics~~
32.31 ~~in paragraph (f), federally qualified health centers, rural health centers, and Indian health~~
32.32 ~~services. Effective January 1, 2016, through December 31, 2016, payments to managed care~~
32.33 ~~plans and county-based purchasing plans under sections 256B.69 and 256B.692 shall reflect~~
32.34 ~~the payment increase described in this paragraph. The commissioner shall require managed~~

33.1 ~~care and county-based purchasing plans to pass on the full amount of the increase, in the~~
33.2 ~~form of higher payment rates to dental providers located outside of the seven-county~~
33.3 ~~metropolitan area.~~

33.4 ~~(h)~~ (i) Effective for services provided on or after January 1, 2017, through December 31,
33.5 2021, the commissioner shall increase payment rates by 9.65 percent for dental services
33.6 provided outside of the seven-county metropolitan area. This increase does not apply to
33.7 state-operated dental clinics in paragraph (f), federally qualified health centers, rural health
33.8 centers, or Indian health services. Effective January 1, 2017, payments to managed care
33.9 plans and county-based purchasing plans under sections 256B.69 and 256B.692 shall reflect
33.10 the payment increase described in this paragraph.

33.11 ~~(m)~~ (j) Effective for services provided on or after July 1, 2017, through December 31,
33.12 2022, the commissioner shall increase payment rates by 23.8 percent for dental services
33.13 provided to enrollees under the age of 21. This rate increase does not apply to state-operated
33.14 dental clinics in paragraph (f), federally qualified health centers, rural health centers, or
33.15 Indian health centers. This rate increase does not apply to managed care plans and
33.16 county-based purchasing plans.

33.17 (k) Effective for services provided on or after January 1, 2022, the commissioner shall
33.18 exclude from medical assistance and MinnesotaCare payments for dental services to public
33.19 health and community health clinics the 20 percent increase authorized under Laws 1989,
33.20 chapter 327, section 5, subdivision 2, paragraph (b).

33.21 (l) Effective for services provided on or after January 1, 2022, the commissioner shall
33.22 increase payment rates by 98 percent for all dental services. This rate increase does not
33.23 apply to state-operated dental clinics, federally qualified health centers, rural health centers,
33.24 or Indian health services.

33.25 (m) Managed care plans and county-based purchasing plans shall reimburse providers
33.26 at a level that is at least equal to the rate paid under fee-for-service for dental services. If,
33.27 for any coverage year, federal approval is not received for this paragraph, the commissioner
33.28 must adjust the capitation rates paid to managed care plans and county-based purchasing
33.29 plans for that contract year to reflect the removal of this provision. Contracts between
33.30 managed care plans and county-based purchasing plans and providers to whom this paragraph
33.31 applies must allow recovery of payments from those providers if capitation rates are adjusted
33.32 in accordance with this paragraph. Payment recoveries must not exceed an amount equal
33.33 to any increase in rates that results from this provision. If, for any coverage year, federal

34.1 approval is not received for this paragraph, the commissioner shall not implement this
34.2 paragraph for subsequent coverage years.

34.3 Sec. 23. Minnesota Statutes 2020, section 256B.76, subdivision 4, is amended to read:

34.4 Subd. 4. **Critical access dental providers.** (a) The commissioner shall increase
34.5 reimbursements to dentists and dental clinics deemed by the commissioner to be critical
34.6 access dental providers. For dental services rendered on or after July 1, 2016, through
34.7 December 31, 2021, the commissioner shall increase reimbursement by 37.5 percent above
34.8 the reimbursement rate that would otherwise be paid to the critical access dental provider,
34.9 except as specified under paragraph (b). The commissioner shall pay the managed care
34.10 plans and county-based purchasing plans in amounts sufficient to reflect increased
34.11 reimbursements to critical access dental providers as approved by the commissioner.

34.12 (b) For dental services rendered on or after July 1, 2016, through December 31, 2021,
34.13 by a dental clinic or dental group that meets the critical access dental provider designation
34.14 under paragraph ~~(d)~~ (f), clause (4), and is owned and operated by a health maintenance
34.15 organization licensed under chapter 62D, the commissioner shall increase reimbursement
34.16 by 35 percent above the reimbursement rate that would otherwise be paid to the critical
34.17 access provider.

34.18 (c) The commissioner shall increase reimbursement to dentists and dental clinics deemed
34.19 by the commissioner to be critical access dental providers. For dental services provided on
34.20 or after January 1, 2022, by a dental provider deemed to be a critical access dental provider
34.21 under paragraph (f), the commissioner shall increase reimbursement by 20 percent above
34.22 the reimbursement rate that would otherwise be paid to the critical access dental provider.
34.23 This paragraph does not apply to federally qualified health centers, rural health centers,
34.24 state-operated dental clinics, or Indian health centers.

34.25 (d) Managed care plans and county-based purchasing plans shall increase reimbursement
34.26 to critical access dental providers by at least the amount specified in paragraph (c). If, for
34.27 any coverage year, federal approval is not received for this paragraph, the commissioner
34.28 must adjust the capitation rates paid to managed care plans and county-based purchasing
34.29 plans for that contract year to reflect the removal of this provision. Contracts between
34.30 managed care plans and county-based purchasing plans and providers to whom this paragraph
34.31 applies must allow recovery of payments from those providers if capitation rates are adjusted
34.32 in accordance with this paragraph. Payment recoveries must not exceed an amount equal
34.33 to any increase in rates that results from this provision. If, for any coverage year, federal

35.1 approval is not received for this paragraph, the commissioner shall not implement this
35.2 paragraph for subsequent coverage years.

35.3 ~~(e)~~ (e) Critical access dental payments made under ~~paragraph (a) or (b)~~ this subdivision
35.4 for dental services provided by a critical access dental provider to an enrollee of a managed
35.5 care plan or county-based purchasing plan must not reflect any capitated payments or
35.6 cost-based payments from the managed care plan or county-based purchasing plan. The
35.7 managed care plan or county-based purchasing plan must base the additional critical access
35.8 dental payment on the amount that would have been paid for that service had the dental
35.9 provider been paid according to the managed care plan or county-based purchasing plan's
35.10 fee schedule that applies to dental providers that are not paid under a capitated payment or
35.11 cost-based payment.

35.12 ~~(d)~~ (f) The commissioner shall designate the following dentists and dental clinics as
35.13 critical access dental providers:

35.14 (1) nonprofit community clinics that:

35.15 (i) have nonprofit status in accordance with chapter 317A;

35.16 (ii) have tax exempt status in accordance with the Internal Revenue Code, section
35.17 501(c)(3);

35.18 (iii) are established to provide oral health services to patients who are low income,
35.19 uninsured, have special needs, and are underserved;

35.20 (iv) have professional staff familiar with the cultural background of the clinic's patients;

35.21 (v) charge for services on a sliding fee scale designed to provide assistance to low-income
35.22 patients based on current poverty income guidelines and family size;

35.23 (vi) do not restrict access or services because of a patient's financial limitations or public
35.24 assistance status; and

35.25 (vii) have free care available as needed;

35.26 (2) federally qualified health centers, rural health clinics, and public health clinics;

35.27 (3) hospital-based dental clinics owned and operated by a city, county, or former state
35.28 hospital as defined in section 62Q.19, subdivision 1, paragraph (a), clause (4);

35.29 (4) a dental clinic or dental group owned and operated by a nonprofit corporation in
35.30 accordance with chapter 317A with more than 10,000 patient encounters per year with
35.31 patients who are uninsured or covered by medical assistance or MinnesotaCare;

36.1 (5) a dental clinic owned and operated by the University of Minnesota or the Minnesota
36.2 State Colleges and Universities system; and

36.3 (6) private practicing dentists if:

36.4 (i) the dentist's office is located within the seven-county metropolitan area and more
36.5 than 50 percent of the dentist's patient encounters per year are with patients who are uninsured
36.6 or covered by medical assistance or MinnesotaCare; or

36.7 (ii) the dentist's office is located outside the seven-county metropolitan area and more
36.8 than 25 percent of the dentist's patient encounters per year are with patients who are uninsured
36.9 or covered by medical assistance or MinnesotaCare.

36.10 Sec. 24. Minnesota Statutes 2020, section 256B.79, subdivision 1, is amended to read:

36.11 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
36.12 the meanings given them.

36.13 (b) "Adverse outcomes" means maternal opiate addiction, other reportable prenatal
36.14 substance abuse, low birth weight, or preterm birth.

36.15 (c) "Qualified integrated perinatal care collaborative" or "collaborative" means a
36.16 combination of (1) members of community-based organizations that represent communities
36.17 within the identified targeted populations, and (2) local or tribally based service entities,
36.18 including health care, public health, social services, mental health, chemical dependency
36.19 treatment, and community-based providers, determined by the commissioner to meet the
36.20 criteria for the provision of integrated care and enhanced services for enrollees within
36.21 targeted populations.

36.22 (d) "Targeted populations" means pregnant medical assistance enrollees residing in
36.23 ~~geographic areas~~ communities identified by the commissioner as being at above-average
36.24 risk for adverse outcomes.

36.25 Sec. 25. Minnesota Statutes 2020, section 256B.79, subdivision 3, is amended to read:

36.26 Subd. 3. **Grant awards.** The commissioner shall award grants to qualifying applicants
36.27 to support interdisciplinary, integrated perinatal care. Grant funds must be distributed through
36.28 a request for proposals process to a designated lead agency within an entity that has been
36.29 determined to be a qualified integrated perinatal care collaborative or within an entity in
36.30 the process of meeting the qualifications to become a qualified integrated perinatal care
36.31 collaborative, ~~and priority shall be given to qualified integrated perinatal care collaboratives~~
36.32 ~~that received grants under this section prior to January 1, 2019.~~ Grant awards must be used

37.1 to support interdisciplinary, team-based needs assessments, planning, and implementation
37.2 of integrated care and enhanced services for targeted populations. In determining grant
37.3 award amounts, the commissioner shall consider the identified health and social risks linked
37.4 to adverse outcomes and attributed to enrollees within the identified targeted population.

37.5 Sec. 26. [256B.795] MATERNAL AND INFANT HEALTH REPORT.

37.6 (a) The commissioner of human services, in consultation with the commissioner of
37.7 health, shall submit a biennial report beginning April 15, 2022, to the chairs and ranking
37.8 minority members of the legislative committees with jurisdiction over health policy and
37.9 finance on the effectiveness of state maternal and infant health policies and programs
37.10 addressing health disparities in prenatal and postpartum health outcomes. For each reporting
37.11 period, the commissioner shall determine the number of women enrolled in the medical
37.12 assistance program who are pregnant or are in the 12-month postpartum period of eligibility
37.13 and the percentage of women in that group who, during each reporting period:

37.14 (1) received prenatal services;

37.15 (2) received doula services;

37.16 (3) gave birth by primary cesarean section;

37.17 (4) gave birth to an infant who received care in the neonatal intensive care unit;

37.18 (5) gave birth to an infant who was premature or who had a low birth weight;

37.19 (6) experienced postpartum hemorrhage;

37.20 (7) received postpartum care within six weeks of giving birth; and

37.21 (8) received a prenatal and postpartum follow-up home visit from a public health nurse.

37.22 (b) These measurements must be determined through an analysis of the utilization data
37.23 from claims submitted during each reporting period and by any other appropriate means.
37.24 The measurements for each metric must be determined in the aggregate stratified by race
37.25 and ethnicity.

37.26 (c) The commissioner shall establish a baseline for the metrics described in paragraph
37.27 (a) using calendar year 2017. The initial report due April 15, 2022, must contain the baseline
37.28 metrics and the metrics data for calendar years 2019 and 2020. The following reports due
37.29 biennially thereafter must contain the metrics for the preceding two calendar years.

38.1 Sec. 27. Minnesota Statutes 2020, section 256L.07, subdivision 2, is amended to read:

38.2 Subd. 2. **Must not have access to employer-subsidized minimum essential**
38.3 **coverage.** (a) To be eligible, a family or individual must not have access to subsidized health
38.4 coverage that is affordable and provides minimum value as defined in Code of Federal
38.5 Regulations, title 26, section 1.36B-2.

38.6 (b) Notwithstanding paragraph (a), an individual who has access through a spouse's or
38.7 parent's employer to subsidized health coverage that is deemed minimum essential coverage
38.8 under Code of Federal Regulations, title 26, section 1.36B-2, is eligible for MinnesotaCare
38.9 if the employee's portion of the annual premium for employee and dependent coverage
38.10 exceeds the required contribution percentage, as defined for premium tax credit eligibility
38.11 under United States Code, title 26, section 36B(c)(2)(C)(i)(II), as indexed according to item
38.12 (iv) of that section, of the individual's household income for the coverage year.

38.13 (c) This subdivision does not apply to a family or individual who no longer has
38.14 employer-subsidized coverage due to the employer terminating health care coverage as an
38.15 employee benefit.

38.16 **EFFECTIVE DATE.** This section is effective January 1, 2023.

38.17 Sec. 28. Minnesota Statutes 2020, section 256L.11, subdivision 6a, is amended to read:

38.18 Subd. 6a. **Dental providers.** (a) Effective for dental services provided to MinnesotaCare
38.19 enrollees on or after January 1, 2018, to December 31, 2021, the commissioner shall increase
38.20 payment rates to dental providers by 54 percent.

38.21 (b) Effective for dental services provided on or after January 1, 2022, payment rates to
38.22 dental providers shall equal the payment rates described in section 256B.76, subdivision 2.

38.23 (c) Payments made to prepaid health plans under section 256L.12 shall reflect the payment
38.24 increase rates described in this subdivision. The prepaid health plans under contract with
38.25 the commissioner shall provide payments to dental providers that are at least equal to a rate
38.26 that includes the payment rate specified in this subdivision, and if applicable to the provider,
38.27 the rates described under subdivision 7.

38.28 Sec. 29. Minnesota Statutes 2020, section 256L.11, subdivision 7, is amended to read:

38.29 Subd. 7. **Critical access dental providers.** (a) Effective for dental services provided to
38.30 MinnesotaCare enrollees on or after July 1, 2017, the commissioner shall increase payment
38.31 rates to dentists and dental clinics deemed by the commissioner to be critical access providers
38.32 under section 256B.76, subdivision 4, by 20 percent above the payment rate that would

39.1 otherwise be paid to the provider. The commissioner shall pay the prepaid health plans
 39.2 under contract with the commissioner amounts sufficient to reflect this rate increase. ~~The~~
 39.3 ~~prepaid health plan must pass this rate increase to providers who have been identified by~~
 39.4 ~~the commissioner as critical access dental providers under section 256B.76, subdivision 4.~~

39.5 (b) Managed care plans and county-based purchasing plans shall increase reimbursement
 39.6 to critical access dental providers by at least the amount specified in paragraph (a). If, for
 39.7 any coverage year, federal approval is not received for this paragraph, the commissioner
 39.8 must adjust the capitation rates paid to managed care plans and county-based purchasing
 39.9 plans for that contract year to reflect the removal of this provision. Contracts between
 39.10 managed care plans and county-based purchasing plans and providers to whom this paragraph
 39.11 applies must allow recovery of payments from those providers if capitation rates are adjusted
 39.12 in accordance with this paragraph. Payment recoveries must not exceed an amount equal
 39.13 to any increase in rates that results from this provision. If, for any coverage year, federal
 39.14 approval is not received for this paragraph, the commissioner shall not implement this
 39.15 paragraph for subsequent coverage years.

39.16 Sec. 30. Minnesota Statutes 2020, section 256L.15, subdivision 2, is amended to read:

39.17 Subd. 2. **Sliding fee scale; monthly individual or family income.** (a) The commissioner
 39.18 shall establish a sliding fee scale to determine the percentage of monthly individual or family
 39.19 income that households at different income levels must pay to obtain coverage through the
 39.20 MinnesotaCare program. The sliding fee scale must be based on the enrollee's monthly
 39.21 individual or family income.

39.22 (b) Beginning January 1, 2014, MinnesotaCare enrollees shall pay premiums according
 39.23 to the premium scale specified in paragraph (d).

39.24 (c) Paragraph (b) does not apply to:

39.25 (1) children 20 years of age or younger; and

39.26 (2) individuals with household incomes below 35 percent of the federal poverty
 39.27 guidelines.

39.28 (d) The following premium scale is established for each individual in the household who
 39.29 is 21 years of age or older and enrolled in MinnesotaCare:

39.30	Federal Poverty Guideline	Less than	Individual Premium
39.31	Greater than or Equal to		Amount
39.32	35%	55%	\$4
39.33	55%	80%	\$6

40.1	80%	90%	\$8
40.2	90%	100%	\$10
40.3	100%	110%	\$12
40.4	110%	120%	\$14
40.5	120%	130%	\$15
40.6	130%	140%	\$16
40.7	140%	150%	\$25
40.8	150%	160%	\$37
40.9	160%	170%	\$44
40.10	170%	180%	\$52
40.11	180%	190%	\$61
40.12	190%	200%	\$71
40.13	200%		\$80

40.14 (e) Beginning January 1, 2021, the commissioner shall adjust the premium scale
 40.15 established under paragraph (d) to ensure that premiums do not exceed the amount that an
 40.16 individual would have been required to pay if the individual was enrolled in an applicable
 40.17 benchmark plan in accordance with the Code of Federal Regulations, title 42, section
 40.18 600.505(a)(1).

40.19 **EFFECTIVE DATE.** This section is effective retroactively from January 1, 2021 and
 40.20 applies to premiums due on or after that date.

40.21 **Sec. 31. FEDERAL APPROVAL; EXTENSION OF POSTPARTUM COVERAGE.**

40.22 The commissioner of human services shall seek all federal waivers and approvals
 40.23 necessary to extend medical assistance postpartum coverage, as provided in Minnesota
 40.24 Statutes, sections 256B.055, subdivision 6, and 256B.06, subdivision 4.

40.25 **Sec. 32. COVID-19 TREATMENT, TESTING, AND VACCINATION.**

40.26 Medical assistance covers treatment, testing, and vaccination for COVID-19 as required
 40.27 under and for the time periods specified in section 9811 of the federal American Rescue
 40.28 Plan Act, Public Law 117-2.

40.29 **EFFECTIVE DATE.** This section is effective retroactively from March 11, 2021.

40.30 **Sec. 33. DENTAL HOME DEMONSTRATION PROJECT.**

40.31 (a) The Dental Services Advisory Committee, in collaboration with stakeholders, shall
 40.32 design a dental home demonstration project and present recommendations by February 1,

41.1 2022, to the commissioner and the chairs and ranking minority members of the legislative
41.2 committees with jurisdiction over health finance and policy.

41.3 (b) The Dental Services Advisory Committee, at a minimum, shall engage with the
41.4 following stakeholders: the Minnesota Department of Health, the Minnesota Dental
41.5 Association, the Minnesota Dental Hygienists' Association, the University of Minnesota
41.6 School of Dentistry, dental programs operated by the Minnesota State Colleges and
41.7 Universities system, and representatives of each of the following dental provider types
41.8 servicing medical assistance and MinnesotaCare enrollees:

41.9 (1) private practice dental clinics for which medical assistance and MinnesotaCare
41.10 enrollees comprise more than 25 percent of the clinic's patient load;

41.11 (2) private practice dental clinics for which medical assistance and MinnesotaCare
41.12 enrollees comprise 25 percent or less of the clinic's patient load;

41.13 (3) nonprofit dental clinics with a primary focus on serving Indigenous communities
41.14 and other communities of color;

41.15 (4) nonprofit dental clinics with a primary focus on providing eldercare;

41.16 (5) nonprofit dental clinics with a primary focus on serving children;

41.17 (6) nonprofit dental clinics providing services within the seven-county metropolitan
41.18 area;

41.19 (7) nonprofit dental clinics providing services outside of the seven-county metropolitan
41.20 area; and

41.21 (8) multispecialty hospital-based dental clinics.

41.22 (c) The dental home demonstration project shall give incentives for qualified providers
41.23 that provide high-quality, patient-centered, comprehensive, and coordinated oral health
41.24 services. The demonstration project shall seek to increase the number of new dental providers
41.25 servicing medical assistance and MinnesotaCare enrollees and increase the capacity of existing
41.26 providers. The demonstration project must test payment methods that establish value-based
41.27 incentives to:

41.28 (1) increase the extent to which current dental providers serve medical assistance and
41.29 MinnesotaCare enrollees across their lifespan;

41.30 (2) develop service models that create equity and reduce disparities in access to dental
41.31 services for high-risk and medically and socially complex enrollees;

42.1 (3) advance alternative delivery models of care within community settings using
42.2 evidence-based approaches and innovative workforce teams; and

42.3 (4) improve the quality of dental care by meeting dental home goals.

42.4 Sec. 34. **OVERPAYMENTS FOR DURABLE MEDICAL EQUIPMENT,**
42.5 **PROSTHETICS, ORTHOTICS, OR SUPPLIES.**

42.6 (a) Notwithstanding any other law to the contrary, providers who received payment for
42.7 durable medical equipment, prosthetics, orthotics, or supplies between January 1, 2018, and
42.8 June 30, 2019, that were subject to the upper payment limits under United States Code, title
42.9 42, section 1396b(i)(27), shall not be required to repay any amount received in excess of
42.10 the allowable amount to either the state or the Centers for Medicare and Medicaid Services.

42.11 (b) The state shall repay with state funds any amount owed to the Centers for Medicare
42.12 and Medicaid Services for the federal financial participation amount received by the state
42.13 for payments identified in paragraph (a) in excess of the amount allowed effective January
42.14 1, 2018, and the state shall hold harmless the providers who received these payments from
42.15 recovery of both the state and federal share of the amount determined to have exceeded the
42.16 Medicare upper payment limit.

42.17 (c) Nothing in this section shall be construed to prohibit the commissioner from recouping
42.18 past overpayments due to false claims or for reasons other than exceeding the Medicare
42.19 upper payment limits or from recouping future overpayments including the recoupment of
42.20 payments that exceed the upper Medicare payment limits.

42.21 Sec. 35. **PROPOSED FORMULARY COMMITTEE.**

42.22 By March 1, 2022, the commissioner of human services, after soliciting recommendations
42.23 from professional medical associations, professional pharmacy associations, and consumer
42.24 groups, shall submit to the chairs and ranking minority members of the legislative committees
42.25 with jurisdiction over health and human services an overview of the Formulary Committee
42.26 under Minnesota Statutes, section 256B.0625, subdivision 13c, that includes:

42.27 (1) a review of the current composition of and any recommended revisions to the
42.28 membership of the committee. The review shall ensure the committee is composed of
42.29 adequate representation of consumers and health care professionals with expertise in clinical
42.30 prescribing; and

43.1 (2) a summary of the committee's policies and procedures for the operation of the
43.2 committee, opportunities for public input, providing public notice, and gathering public
43.3 comments on the committee's recommendations and proposed actions.

43.4 Sec. 36. **RESPONSE TO COVID-19 PUBLIC HEALTH EMERGENCY.**

43.5 (a) Notwithstanding Minnesota Statutes, section 256B.057, subdivision 9, 256L.06,
43.6 subdivision 3, or any other provision to the contrary, the commissioner shall not collect any
43.7 unpaid premium for a coverage month that occurred during the COVID-19 public health
43.8 emergency declared by the United States Secretary of Health and Human Services.

43.9 (b) Notwithstanding any provision to the contrary, periodic data matching under
43.10 Minnesota Statutes, section 256B.0561, subdivision 2, may be suspended for up to six
43.11 months following the last day of the COVID-19 public health emergency declared by the
43.12 United States Secretary of Health and Human Services.

43.13 (c) Notwithstanding any provision to the contrary, the requirement for the commissioner
43.14 of human services to issue an annual report on periodic data matching under Minnesota
43.15 Statutes, section 256B.0561, is suspended for one year following the last day of the
43.16 COVID-19 public health emergency declared by the United States Secretary of Health and
43.17 Human Services.

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

43.19 Sec. 37. **DENTAL PROGRAM DELIVERY STUDY.**

43.20 (a) The commissioner of human services shall review the Medicaid dental program
43.21 delivery systems in states that have enacted and implemented a carve out dental delivery
43.22 system. At a minimum, the review must compare in those states program design, provider
43.23 rates, program costs, including administrative costs, and quality metrics for children one
43.24 through 20 years of age with at least one preventive dental service within a year.

43.25 (b) The commissioner, in consultation with interested stakeholders, shall also conduct
43.26 an analysis of dental provider hesitancy to participate in the medical assistance program as
43.27 an enrolled provider.

43.28 (c) By February 1, 2022, the commissioner shall submit to the chairs and ranking minority
43.29 members of the legislative committees with jurisdiction over health and human services
43.30 policy and finance the results of the review and analysis described in this section. The
43.31 commissioner may combine the requirements in this section with the dental home
43.32 demonstration project report due on February 1, 2022.

44.1 Sec. 38. **DENTAL RATE REBASING.**

44.2 The commissioner of human services shall present recommendations on dental rate
 44.3 rebasings to the chairs and ranking minority members of the legislative committees with
 44.4 jurisdiction over health and human services finance and policy by February 1, 2022. The
 44.5 recommendations must be consistent with the proposed design of the dental home
 44.6 demonstration project and must address the frequency of rebasing, whether rebasing should
 44.7 incorporate an inflation factor, and other factors relevant to ensuring patient access to dental
 44.8 providers and the delivery of high quality dental care.

44.9 Sec. 39. **CONTINGENT FUNDING RELATED TO DENTAL ADMINISTRATOR.**

44.10 If managed care and county-based purchasing plans do not meet in the aggregate the
 44.11 dental access performance benchmark under Minnesota Statutes, section 256B.0371,
 44.12 subdivision 1, for coverage year 2024, the general fund base for the department of human
 44.13 services for the 2026-2027 biennium shall include \$107,000 in fiscal year 2026 and \$122,000
 44.14 in fiscal year 2027 for staffing necessary to contract with a dental administrator, and \$5,000
 44.15 in fiscal year 2026 and \$1,000 in fiscal year 2027 for systems changes necessary to contract
 44.16 with a dental administrator.

44.17 Sec. 40. **REPEALER.**

44.18 (a) Minnesota Rules, parts 9505.0275; 9505.1693; 9505.1696, subparts 1, 2, 3, 4, 5, 6,
 44.19 7, 8, 9, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, and 22; 9505.1699; 9505.1701; 9505.1703;
 44.20 9505.1706; 9505.1712; 9505.1715; 9505.1718; 9505.1724; 9505.1727; 9505.1730;
 44.21 9505.1733; 9505.1736; 9505.1739; 9505.1742; 9505.1745; and 9505.1748, are repealed.

44.22 (b) Minnesota Statutes 2020, section 16A.724, subdivision 2, is repealed effective July
 44.23 1, 2025.

44.24 **ARTICLE 2**

44.25 **DEPARTMENT OF HUMAN SERVICES**
 44.26 **LICENSING AND BACKGROUND STUDIES**

44.27 Section 1. Minnesota Statutes 2020, section 62V.05, is amended by adding a subdivision
 44.28 to read:

44.29 Subd. 4a. **Background study required.** (a) The board must initiate background studies
 44.30 under section 245C.031 of:

44.31 (1) each navigator;

45.1 (2) each in-person assister; and

45.2 (3) each certified application counselor.

45.3 (b) The board may initiate the background studies required by paragraph (a) using the
45.4 online NETStudy 2.0 system operated by the commissioner of human services.

45.5 (c) The board shall not permit any individual to provide any service or function listed
45.6 in paragraph (a) until the board has received notification from the commissioner of human
45.7 services indicating that the individual:

45.8 (1) is not disqualified under chapter 245C; or

45.9 (2) is disqualified, but has received a set aside from the board of that disqualification
45.10 according to sections 245C.22 and 245C.23.

45.11 (d) The board or its delegate shall review a reconsideration request of an individual in
45.12 paragraph (a), including granting a set aside, according to the procedures and criteria in
45.13 chapter 245C. The board shall notify the individual and the Department of Human Services
45.14 of the board's decision.

45.15 Sec. 2. Minnesota Statutes 2020, section 122A.18, subdivision 8, is amended to read:

45.16 Subd. 8. **Background ~~checks~~ studies.** (a) The Professional Educator Licensing and
45.17 Standards Board and the Board of School Administrators must ~~obtain a~~ initiate criminal
45.18 history background ~~check on~~ studies of all first-time ~~teaching~~ applicants for educator licenses
45.19 under their jurisdiction. Applicants must include with their licensure applications:

45.20 (1) an executed criminal history consent form, including fingerprints; and

45.21 (2) payment to conduct the background ~~check~~ study. The Professional Educator Licensing
45.22 and Standards Board must deposit payments received under this subdivision in an account
45.23 in the special revenue fund. Amounts in the account are annually appropriated to the
45.24 Professional Educator Licensing and Standards Board to pay for the costs of background
45.25 ~~checks~~ studies on applicants for licensure.

45.26 (b) The background ~~check~~ study for all first-time teaching applicants for licenses must
45.27 include a review of information from the Bureau of Criminal Apprehension, including
45.28 criminal history data as defined in section 13.87, and must also include a review of the
45.29 national criminal records repository. The superintendent of the Bureau of Criminal
45.30 Apprehension is authorized to exchange fingerprints with the Federal Bureau of Investigation
45.31 for purposes of the criminal history check. ~~The superintendent shall recover the cost to the~~
45.32 ~~bureau of a background check through the fee charged to the applicant under paragraph (a).~~

46.1 (c) The Professional Educator Licensing and Standards Board ~~must contract with~~ may
46.2 initiate criminal history background studies through the commissioner of human services
46.3 according to section 245C.031 to ~~conduct background checks and~~ obtain background check
46.4 study data required under this chapter.

46.5 Sec. 3. **[245.975] OMBUDSPERSON FOR FAMILY CHILD CARE PROVIDERS.**

46.6 Subdivision 1. **Appointment.** The governor shall appoint an ombudsperson in the
46.7 unclassified service to assist family child care providers with licensing, compliance, and
46.8 other issues facing family child care providers. The ombudsperson must be selected without
46.9 regard to the person's political affiliation and must have been a licensed family child care
46.10 provider for at least three years. The ombudsperson shall serve a term of four years, which
46.11 may be renewed, and may be removed prior to the end of the term for just cause.

46.12 Subd. 2. **Duties.** (a) The ombudsperson's duties shall include:

46.13 (1) advocating on behalf of a family child care provider to address all areas of concern
46.14 related to the provision of child care services, including licensing monitoring activities,
46.15 licensing actions, and other interactions with state and county licensing staff;

46.16 (2) providing recommendations for family child care improvement or family child care
46.17 provider education;

46.18 (3) operating a telephone line to answer questions, receive complaints, and discuss
46.19 agency actions when a family child care provider believes that the provider's rights or
46.20 program may have been adversely affected; and

46.21 (4) assisting a family child care license applicant with navigating the application process.

46.22 (b) The ombudsperson must report annually by December 31 to the commissioner and
46.23 the chairs and ranking minority members of the legislative committees with jurisdiction
46.24 over child care on the services provided by the ombudsperson to child care providers,
46.25 including the number and locations of child care providers served and the activities of the
46.26 ombudsperson in carrying out the duties under this section. The commissioner shall determine
46.27 the form of the report and may specify additional reporting requirements.

46.28 Subd. 3. **Staff.** The ombudsperson may appoint and compensate out of available funds
46.29 a deputy, confidential secretary, and other employees in the unclassified service as authorized
46.30 by law. The ombudsperson and the full-time staff are members of the Minnesota State
46.31 Retirement Association. The ombudsperson may delegate to staff members any authority
46.32 or duties of the office, except the duty to provide reports to the governor, commissioner, or
46.33 the legislature.

47.1 Subd. 4. **Access to records.** (a) The ombudsperson or designee, excluding volunteers,
47.2 has access to any data of a state agency necessary for the discharge of the ombudsperson's
47.3 duties, including records classified as confidential data on individuals or private data on
47.4 individuals under chapter 13 or any other law. The ombudsperson's data request must relate
47.5 to a specific case and is subject to section 13.03, subdivision 4. If the data concerns an
47.6 individual, the ombudsperson or designee shall first obtain the individual's consent. If the
47.7 individual is unable to consent and has no parent or legal guardian, then the ombudsperson's
47.8 or designee's access to the data is authorized by this section.

47.9 (b) The ombudsperson and designees must adhere to the Minnesota Government Data
47.10 Practices Act and must not disseminate any private or confidential data on individuals unless
47.11 specifically authorized by state, local, or federal law or pursuant to a court order.

47.12 (c) The commissioner and any county agency must provide the ombudsperson copies
47.13 of all fix-it tickets, correction orders, and licensing actions issued to family child care
47.14 providers.

47.15 Subd. 5. **Independence of action.** In carrying out the duties under this section, the
47.16 ombudsperson may, independently of the department, provide testimony to the legislature,
47.17 make periodic reports to the legislature, and address areas of concern to family child care
47.18 providers.

47.19 Subd. 6. **Civil actions.** The ombudsperson or designee is not civilly liable for any action
47.20 taken under this section if the action was taken in good faith, was within the scope of the
47.21 ombudsperson's authority, and did not constitute willful or reckless misconduct.

47.22 Subd. 7. **Qualifications.** The ombudsperson must be a person who has knowledge and
47.23 experience concerning the provision of family child care. The ombudsperson must be
47.24 experienced in dealing with governmental entities, interpretation of laws and regulations,
47.25 investigations, record keeping, report writing, public speaking, and management. A person
47.26 is not eligible to serve as the ombudsperson while running for or holding public office or
47.27 while holding a family child care license.

47.28 Subd. 8. **Office support.** The commissioner shall provide the ombudsperson with the
47.29 necessary office space, supplies, equipment, and clerical support to effectively perform the
47.30 duties under this section.

47.31 Subd. 9. **Posting.** (a) The commissioner shall post on the department's website the
47.32 mailing address, e-mail address, and telephone number for the office of the ombudsperson.
47.33 The commissioner shall provide family child care providers with the mailing address, e-mail
47.34 address, and telephone number of the ombudsperson's office on the family child care licensing

48.1 website and upon request of a family child care applicant or provider. Counties must provide
48.2 family child care applicants and providers with the name, mailing address, e-mail address,
48.3 and telephone number of the ombudsperson's office upon request.

48.4 (b) The ombudsperson must approve all postings and notices required by the department
48.5 and counties under this subdivision.

48.6 Sec. 4. Minnesota Statutes 2020, section 245A.05, is amended to read:

48.7 **245A.05 DENIAL OF APPLICATION.**

48.8 (a) The commissioner may deny a license if an applicant or controlling individual:

48.9 (1) fails to submit a substantially complete application after receiving notice from the
48.10 commissioner under section 245A.04, subdivision 1;

48.11 (2) fails to comply with applicable laws or rules;

48.12 (3) knowingly withholds relevant information from or gives false or misleading
48.13 information to the commissioner in connection with an application for a license or during
48.14 an investigation;

48.15 (4) has a disqualification that has not been set aside under section 245C.22 and no
48.16 variance has been granted;

48.17 (5) has an individual living in the household who received a background study under
48.18 section 245C.03, subdivision 1, paragraph (a), clause (2), who has a disqualification that
48.19 has not been set aside under section 245C.22, and no variance has been granted;

48.20 (6) is associated with an individual who received a background study under section
48.21 245C.03, subdivision 1, paragraph (a), clause (6), who may have unsupervised access to
48.22 children or vulnerable adults, and who has a disqualification that has not been set aside
48.23 under section 245C.22, and no variance has been granted;

48.24 (7) fails to comply with section 245A.04, subdivision 1, paragraph (f) or (g);

48.25 (8) fails to demonstrate competent knowledge as required by section 245A.04, subdivision
48.26 6;

48.27 (9) has a history of noncompliance as a license holder or controlling individual with
48.28 applicable laws or rules, including but not limited to this chapter and chapters 119B and
48.29 245C; ~~or~~

48.30 (10) is prohibited from holding a license according to section 245.095; or

49.1 (11) for a family foster setting, has nondisqualifying background study information, as
49.2 described in section 245C.05, subdivision 4, that reflects on the individual's ability to safely
49.3 provide care to foster children.

49.4 (b) An applicant whose application has been denied by the commissioner must be given
49.5 notice of the denial, which must state the reasons for the denial in plain language. Notice
49.6 must be given by certified mail or personal service. The notice must state the reasons the
49.7 application was denied and must inform the applicant of the right to a contested case hearing
49.8 under chapter 14 and Minnesota Rules, parts 1400.8505 to 1400.8612. The applicant may
49.9 appeal the denial by notifying the commissioner in writing by certified mail or personal
49.10 service. If mailed, the appeal must be postmarked and sent to the commissioner within 20
49.11 calendar days after the applicant received the notice of denial. If an appeal request is made
49.12 by personal service, it must be received by the commissioner within 20 calendar days after
49.13 the applicant received the notice of denial. Section 245A.08 applies to hearings held to
49.14 appeal the commissioner's denial of an application.

49.15 **EFFECTIVE DATE.** This section is effective July 1, 2022.

49.16 Sec. 5. Minnesota Statutes 2020, section 245A.07, subdivision 1, is amended to read:

49.17 Subdivision 1. **Sanctions; appeals; license.** (a) In addition to making a license conditional
49.18 under section 245A.06, the commissioner may suspend or revoke the license, impose a fine,
49.19 or secure an injunction against the continuing operation of the program of a license holder
49.20 who does not comply with applicable law or rule, or who has nondisqualifying background
49.21 study information, as described in section 245C.05, subdivision 4, that reflects on the license
49.22 holder's ability to safely provide care to foster children. When applying sanctions authorized
49.23 under this section, the commissioner shall consider the nature, chronicity, or severity of the
49.24 violation of law or rule and the effect of the violation on the health, safety, or rights of
49.25 persons served by the program.

49.26 (b) If a license holder appeals the suspension or revocation of a license and the license
49.27 holder continues to operate the program pending a final order on the appeal, the commissioner
49.28 shall issue the license holder a temporary provisional license. Unless otherwise specified
49.29 by the commissioner, variances in effect on the date of the license sanction under appeal
49.30 continue under the temporary provisional license. If a license holder fails to comply with
49.31 applicable law or rule while operating under a temporary provisional license, the
49.32 commissioner may impose additional sanctions under this section and section 245A.06, and
49.33 may terminate any prior variance. If a temporary provisional license is set to expire, a new
49.34 temporary provisional license shall be issued to the license holder upon payment of any fee

50.1 required under section 245A.10. The temporary provisional license shall expire on the date
 50.2 the final order is issued. If the license holder prevails on the appeal, a new nonprovisional
 50.3 license shall be issued for the remainder of the current license period.

50.4 (c) If a license holder is under investigation and the license issued under this chapter is
 50.5 due to expire before completion of the investigation, the program shall be issued a new
 50.6 license upon completion of the reapplication requirements and payment of any applicable
 50.7 license fee. Upon completion of the investigation, a licensing sanction may be imposed
 50.8 against the new license under this section, section 245A.06, or 245A.08.

50.9 (d) Failure to reapply or closure of a license issued under this chapter by the license
 50.10 holder prior to the completion of any investigation shall not preclude the commissioner
 50.11 from issuing a licensing sanction under this section or section 245A.06 at the conclusion
 50.12 of the investigation.

50.13 **EFFECTIVE DATE.** This section is effective July 1, 2022.

50.14 Sec. 6. Minnesota Statutes 2020, section 245A.10, subdivision 4, as amended by Laws
 50.15 2021, chapter 30, article 17, section 47, is amended to read:

50.16 **Subd. 4. License or certification fee for certain programs.** (a) Child care centers shall
 50.17 pay an annual nonrefundable license fee based on the following schedule:

50.18	50.19 Licensed Capacity	Child Care Center 50.18 License Fee
50.20	1 to 24 persons	\$200
50.21	25 to 49 persons	\$300
50.22	50 to 74 persons	\$400
50.23	75 to 99 persons	\$500
50.24	100 to 124 persons	\$600
50.25	125 to 149 persons	\$700
50.26	150 to 174 persons	\$800
50.27	175 to 199 persons	\$900
50.28	200 to 224 persons	\$1,000
50.29	225 or more persons	\$1,100

50.30 (b)(1) A program licensed to provide one or more of the home and community-based
 50.31 services and supports identified under chapter 245D to persons with disabilities or age 65
 50.32 and older, shall pay an annual nonrefundable license fee based on revenues derived from
 50.33 the provision of services that would require licensure under chapter 245D during the calendar

51.1 year immediately preceding the year in which the license fee is paid, according to the
 51.2 following schedule:

51.3 License Holder Annual Revenue	License Fee
51.4 less than or equal to \$10,000	\$200
51.5 greater than \$10,000 but less than or 51.6 equal to \$25,000	\$300
51.7 greater than \$25,000 but less than or 51.8 equal to \$50,000	\$400
51.9 greater than \$50,000 but less than or 51.10 equal to \$100,000	\$500
51.11 greater than \$100,000 but less than or 51.12 equal to \$150,000	\$600
51.13 greater than \$150,000 but less than or 51.14 equal to \$200,000	\$800
51.15 greater than \$200,000 but less than or 51.16 equal to \$250,000	\$1,000
51.17 greater than \$250,000 but less than or 51.18 equal to \$300,000	\$1,200
51.19 greater than \$300,000 but less than or 51.20 equal to \$350,000	\$1,400
51.21 greater than \$350,000 but less than or 51.22 equal to \$400,000	\$1,600
51.23 greater than \$400,000 but less than or 51.24 equal to \$450,000	\$1,800
51.25 greater than \$450,000 but less than or 51.26 equal to \$500,000	\$2,000
51.27 greater than \$500,000 but less than or 51.28 equal to \$600,000	\$2,250
51.29 greater than \$600,000 but less than or 51.30 equal to \$700,000	\$2,500
51.31 greater than \$700,000 but less than or 51.32 equal to \$800,000	\$2,750
51.33 greater than \$800,000 but less than or 51.34 equal to \$900,000	\$3,000
51.35 greater than \$900,000 but less than or 51.36 equal to \$1,000,000	\$3,250
51.37 greater than \$1,000,000 but less than or 51.38 equal to \$1,250,000	\$3,500
51.39 greater than \$1,250,000 but less than or 51.40 equal to \$1,500,000	\$3,750
51.41 greater than \$1,500,000 but less than or 51.42 equal to \$1,750,000	\$4,000
51.43 greater than \$1,750,000 but less than or 51.44 equal to \$2,000,000	\$4,250

52.1	greater than \$2,000,000 but less than or	
52.2	equal to \$2,500,000	\$4,500
52.3	greater than \$2,500,000 but less than or	
52.4	equal to \$3,000,000	\$4,750
52.5	greater than \$3,000,000 but less than or	
52.6	equal to \$3,500,000	\$5,000
52.7	greater than \$3,500,000 but less than or	
52.8	equal to \$4,000,000	\$5,500
52.9	greater than \$4,000,000 but less than or	
52.10	equal to \$4,500,000	\$6,000
52.11	greater than \$4,500,000 but less than or	
52.12	equal to \$5,000,000	\$6,500
52.13	greater than \$5,000,000 but less than or	
52.14	equal to \$7,500,000	\$7,000
52.15	greater than \$7,500,000 but less than or	
52.16	equal to \$10,000,000	\$8,500
52.17	greater than \$10,000,000 but less than or	
52.18	equal to \$12,500,000	\$10,000
52.19	greater than \$12,500,000 but less than or	
52.20	equal to \$15,000,000	\$14,000
52.21	greater than \$15,000,000	\$18,000

52.22 (2) If requested, the license holder shall provide the commissioner information to verify
 52.23 the license holder's annual revenues or other information as needed, including copies of
 52.24 documents submitted to the Department of Revenue.

52.25 (3) At each annual renewal, a license holder may elect to pay the highest renewal fee,
 52.26 and not provide annual revenue information to the commissioner.

52.27 (4) A license holder that knowingly provides the commissioner incorrect revenue amounts
 52.28 for the purpose of paying a lower license fee shall be subject to a civil penalty in the amount
 52.29 of double the fee the provider should have paid.

52.30 (5) Notwithstanding clause (1), a license holder providing services under one or more
 52.31 licenses under chapter 245B that are in effect on May 15, 2013, shall pay an annual license
 52.32 fee for calendar years 2014, 2015, and 2016, equal to the total license fees paid by the license
 52.33 holder for all licenses held under chapter 245B for calendar year 2013. For calendar year
 52.34 2017 and thereafter, the license holder shall pay an annual license fee according to clause
 52.35 (1).

52.36 (c) A chemical dependency treatment program licensed under chapter 245G, to provide
 52.37 chemical dependency treatment shall pay an annual nonrefundable license fee based on the
 52.38 following schedule:

53.1	Licensed Capacity	License Fee
53.2	1 to 24 persons	\$600
53.3	25 to 49 persons	\$800
53.4	50 to 74 persons	\$1,000
53.5	75 to 99 persons	\$1,200
53.6	100 or more persons	\$1,400

53.7 (d) A ~~chemical dependency~~ detoxification program licensed under Minnesota Rules,
 53.8 parts 9530.6510 to 9530.6590, ~~to provide detoxification services~~ or a withdrawal management
 53.9 program licensed under chapter 245F shall pay an annual nonrefundable license fee based
 53.10 on the following schedule:

53.11	Licensed Capacity	License Fee
53.12	1 to 24 persons	\$760
53.13	25 to 49 persons	\$960
53.14	50 or more persons	\$1,160

53.15 A detoxification program that also operates a withdrawal management program at the same
 53.16 location shall only pay one fee based upon the licensed capacity of the program with the
 53.17 higher overall capacity.

53.18 (e) Except for child foster care, a residential facility licensed under Minnesota Rules,
 53.19 chapter 2960, to serve children shall pay an annual nonrefundable license fee based on the
 53.20 following schedule:

53.21	Licensed Capacity	License Fee
53.22	1 to 24 persons	\$1,000
53.23	25 to 49 persons	\$1,100
53.24	50 to 74 persons	\$1,200
53.25	75 to 99 persons	\$1,300
53.26	100 or more persons	\$1,400

53.27 (f) A residential facility licensed under section 245I.23 or Minnesota Rules, parts
 53.28 9520.0500 to 9520.0670, to serve persons with mental illness shall pay an annual
 53.29 nonrefundable license fee based on the following schedule:

53.30	Licensed Capacity	License Fee
53.31	1 to 24 persons	\$2,525
53.32	25 or more persons	\$2,725

54.1 (g) A residential facility licensed under Minnesota Rules, parts 9570.2000 to 9570.3400,
 54.2 to serve persons with physical disabilities shall pay an annual nonrefundable license fee
 54.3 based on the following schedule:

54.4	Licensed Capacity	License Fee
54.5	1 to 24 persons	\$450
54.6	25 to 49 persons	\$650
54.7	50 to 74 persons	\$850
54.8	75 to 99 persons	\$1,050
54.9	100 or more persons	\$1,250

54.10 (h) A program licensed to provide independent living assistance for youth under section
 54.11 245A.22 shall pay an annual nonrefundable license fee of \$1,500.

54.12 (i) A private agency licensed to provide foster care and adoption services under Minnesota
 54.13 Rules, parts 9545.0755 to 9545.0845, shall pay an annual nonrefundable license fee of \$875.

54.14 (j) A program licensed as an adult day care center licensed under Minnesota Rules, parts
 54.15 9555.9600 to 9555.9730, shall pay an annual nonrefundable license fee based on the
 54.16 following schedule:

54.17	Licensed Capacity	License Fee
54.18	1 to 24 persons	\$500
54.19	25 to 49 persons	\$700
54.20	50 to 74 persons	\$900
54.21	75 to 99 persons	\$1,100
54.22	100 or more persons	\$1,300

54.23 (k) A program licensed to provide treatment services to persons with sexual psychopathic
 54.24 personalities or sexually dangerous persons under Minnesota Rules, parts 9515.3000 to
 54.25 9515.3110, shall pay an annual nonrefundable license fee of \$20,000.

54.26 (l) A mental health clinic certified under section 245I.20 shall pay an annual
 54.27 nonrefundable certification fee of \$1,550. If the mental health clinic provides services at a
 54.28 primary location with satellite facilities, the satellite facilities shall be certified with the
 54.29 primary location without an additional charge.

54.30 Sec. 7. Minnesota Statutes 2020, section 245A.14, subdivision 4, is amended to read:

54.31 Subd. 4. **Special family day child care homes.** Nonresidential child care programs
 54.32 serving 14 or fewer children that are conducted at a location other than the license holder's

55.1 own residence shall be licensed under this section and the rules governing family ~~day~~ child
55.2 care or group family ~~day~~ child care if:

55.3 (a) the license holder is the primary provider of care and the nonresidential child care
55.4 program is conducted in a dwelling that is located on a residential lot;

55.5 (b) the license holder is an employer who may or may not be the primary provider of
55.6 care, and the purpose for the child care program is to provide child care services to children
55.7 of the license holder's employees;

55.8 (c) the license holder is a church or religious organization;

55.9 (d) the license holder is a community collaborative child care provider. For purposes of
55.10 this subdivision, a community collaborative child care provider is a provider participating
55.11 in a cooperative agreement with a community action agency as defined in section 256E.31;

55.12 (e) the license holder is a not-for-profit agency that provides child care in a dwelling
55.13 located on a residential lot and the license holder maintains two or more contracts with
55.14 community employers or other community organizations to provide child care services.
55.15 The county licensing agency may grant a capacity variance to a license holder licensed
55.16 under this paragraph to exceed the licensed capacity of 14 children by no more than five
55.17 children during transition periods related to the work schedules of parents, if the license
55.18 holder meets the following requirements:

55.19 (1) the program does not exceed a capacity of 14 children more than a cumulative total
55.20 of four hours per day;

55.21 (2) the program meets a one to seven staff-to-child ratio during the variance period;

55.22 (3) all employees receive at least an extra four hours of training per year than required
55.23 in the rules governing family child care each year;

55.24 (4) the facility has square footage required per child under Minnesota Rules, part
55.25 9502.0425;

55.26 (5) the program is in compliance with local zoning regulations;

55.27 (6) the program is in compliance with the applicable fire code as follows:

55.28 (i) if the program serves more than five children older than 2-1/2 years of age, but no
55.29 more than five children 2-1/2 years of age or less, the applicable fire code is educational
55.30 occupancy, as provided in Group E Occupancy under the Minnesota State Fire Code 2015,
55.31 Section 202; or

56.1 (ii) if the program serves more than five children 2-1/2 years of age or less, the applicable
56.2 fire code is Group I-4 Occupancies, as provided in the Minnesota State Fire Code 2015,
56.3 Section 202, unless the rooms in which the children are cared for are located on a level of
56.4 exit discharge and each of these child care rooms has an exit door directly to the exterior,
56.5 then the applicable fire code is Group E occupancies, as provided in the Minnesota State
56.6 Fire Code 2015, Section 202; and

56.7 (7) any age and capacity limitations required by the fire code inspection and square
56.8 footage determinations shall be printed on the license; or

56.9 (f) the license holder is the primary provider of care and has located the licensed child
56.10 care program in a commercial space, if the license holder meets the following requirements:

56.11 (1) the program is in compliance with local zoning regulations;

56.12 (2) the program is in compliance with the applicable fire code as follows:

56.13 (i) if the program serves more than five children older than 2-1/2 years of age, but no
56.14 more than five children 2-1/2 years of age or less, the applicable fire code is educational
56.15 occupancy, as provided in Group E Occupancy under the Minnesota State Fire Code 2015,
56.16 Section 202; or

56.17 (ii) if the program serves more than five children 2-1/2 years of age or less, the applicable
56.18 fire code is Group I-4 Occupancies, as provided under the Minnesota State Fire Code 2015,
56.19 Section 202;

56.20 (3) any age and capacity limitations required by the fire code inspection and square
56.21 footage determinations are printed on the license; and

56.22 (4) the license holder prominently displays the license issued by the commissioner which
56.23 contains the statement "This special family child care provider is not licensed as a child
56.24 care center."

56.25 ~~(g) The commissioner may approve two or more licenses under paragraphs (a) to (f) to~~
56.26 ~~be issued at the same location or under one contiguous roof, if each license holder is able~~
56.27 ~~to demonstrate compliance with all applicable rules and laws. Each license holder must~~
56.28 ~~operate the license holder's respective licensed program as a distinct program and within~~
56.29 ~~the capacity, age, and ratio distributions of each license. Notwithstanding Minnesota Rules,~~
56.30 ~~part 9502.0335, subpart 12, the commissioner may issue up to four licenses to an organization~~
56.31 ~~licensed under paragraphs (b), (c), or (e). Each license must have its own primary provider~~
56.32 ~~of care as required under paragraph (i). Each license must operate as a distinct and separate~~
56.33 ~~program in compliance with all applicable laws and regulations.~~

57.1 ~~(h) The commissioner may grant variances to this section to allow a primary provider~~
57.2 ~~of care, a not-for-profit organization, a church or religious organization, an employer, or a~~
57.3 ~~community collaborative to be licensed to provide child care under paragraphs (e) and (f)~~
57.4 ~~if the license holder meets the other requirements of the statute. For licenses issued under~~
57.5 ~~paragraphs (b), (c), (d), (e), or (f), the commissioner may approve up to four licenses at the~~
57.6 ~~same location or under one contiguous roof if each license holder is able to demonstrate~~
57.7 ~~compliance with all applicable rules and laws. Each licensed program must operate as a~~
57.8 ~~distinct program and within the capacity, age, and ratio distributions of each license.~~

57.9 (i) For a license issued under paragraphs (b), (c), or (e), the license holder must designate
57.10 a person to be the primary provider of care at the licensed location on a form and in a manner
57.11 prescribed by the commissioner. The license holder shall notify the commissioner in writing
57.12 before there is a change of the person designated to be the primary provider of care. The
57.13 primary provider of care:

57.14 (1) must be the person who will be the provider of care at the program and present during
57.15 the hours of operation;

57.16 (2) must operate the program in compliance with applicable laws and regulations under
57.17 chapter 245A and Minnesota Rules, chapter 9502;

57.18 (3) is considered a child care background study subject as defined in section 245C.02,
57.19 subdivision 6a, and must comply with background study requirements in chapter 245C; and

57.20 (4) must complete the training that is required of license holders in section 245A.50.

57.21 (j) For any license issued under this subdivision, the license holder must ensure that any
57.22 other caregiver, substitute, or helper who assists in the care of children meets the training
57.23 requirements in section 245A.50 and background study requirements under chapter 245C.

57.24 **EFFECTIVE DATE.** This section is effective July 1, 2022.

57.25 Sec. 8. Minnesota Statutes 2020, section 245A.16, is amended by adding a subdivision to
57.26 read:

57.27 Subd. 9. **Licensed family foster settings.** (a) Before recommending to grant a license,
57.28 deny a license under section 245A.05, or revoke a license under section 245A.07 for
57.29 nondisqualifying background study information received under section 245C.05, subdivision
57.30 4, paragraph (a), clause (3), for a licensed family foster setting, a county agency or private
57.31 agency that has been designated or licensed by the commissioner must review the following:

57.32 (1) the type of offenses;

- 58.1 (2) the number of offenses;
- 58.2 (3) the nature of the offenses;
- 58.3 (4) the age of the individual at the time of the offenses;
- 58.4 (5) the length of time that has elapsed since the last offense;
- 58.5 (6) the relationship of the offenses and the capacity to care for a child;
- 58.6 (7) evidence of rehabilitation;
- 58.7 (8) information or knowledge from community members regarding the individual's
58.8 capacity to provide foster care;
- 58.9 (9) any available information regarding child maltreatment reports or child in need of
58.10 protection or services petitions, or related cases, in which the individual has been involved
58.11 or implicated, and documentation that the individual has remedied issues or conditions
58.12 identified in child protection or court records that are relevant to safely caring for a child;
- 58.13 (10) a statement from the study subject;
- 58.14 (11) a statement from the license holder; and
- 58.15 (12) other aggravating and mitigating factors.
- 58.16 (b) For purposes of this section, "evidence of rehabilitation" includes but is not limited
58.17 to the following:
- 58.18 (1) maintaining a safe and stable residence;
- 58.19 (2) continuous, regular, or stable employment;
- 58.20 (3) successful participation in an education or job training program;
- 58.21 (4) positive involvement with the community or extended family;
- 58.22 (5) compliance with the terms and conditions of probation or parole following the
58.23 individual's most recent conviction;
- 58.24 (6) if the individual has had a substance use disorder, successful completion of a substance
58.25 use disorder assessment, substance use disorder treatment, and recommended continuing
58.26 care, if applicable, demonstrated abstinence from controlled substances, as defined in section
58.27 152.01, subdivision 4, or the establishment of a sober network;
- 58.28 (7) if the individual has had a mental illness or documented mental health issues,
58.29 demonstrated completion of a mental health evaluation, participation in therapy or other
58.30 recommended mental health treatment, or appropriate medication management, if applicable;

59.1 (8) if the individual's offense or conduct involved domestic violence, demonstrated
59.2 completion of a domestic violence or anger management program, and the absence of any
59.3 orders for protection or harassment restraining orders against the individual since the previous
59.4 offense or conduct;

59.5 (9) written letters of support from individuals of good repute, including but not limited
59.6 to employers, members of the clergy, probation or parole officers, volunteer supervisors,
59.7 or social services workers;

59.8 (10) demonstrated remorse for convictions or conduct, or demonstrated positive behavior
59.9 changes; and

59.10 (11) absence of convictions or arrests since the previous offense or conduct, including
59.11 any convictions that were expunged or pardoned.

59.12 (c) An applicant for a family foster setting license must sign all releases of information
59.13 requested by the county or private licensing agency.

59.14 (d) When licensing a relative for a family foster setting, the commissioner shall also
59.15 consider the importance of maintaining the child's relationship with relatives as an additional
59.16 significant factor in determining whether an application will be denied.

59.17 (e) When recommending that the commissioner deny or revoke a license, the county or
59.18 private licensing agency must send a summary of the review completed according to
59.19 paragraph (a), on a form developed by the commissioner, to the commissioner and include
59.20 any recommendation for licensing action.

59.21 **EFFECTIVE DATE.** This section is effective July 1, 2022.

59.22 Sec. 9. Minnesota Statutes 2020, section 245A.50, subdivision 7, is amended to read:

59.23 Subd. 7. **Training requirements for family and group family child care.** (a) For
59.24 purposes of family and group family child care, the license holder and each second adult
59.25 caregiver must complete 16 hours of ongoing training each year. Repeat of topical training
59.26 requirements in subdivisions 2 to 8 shall count toward the annual 16-hour training
59.27 requirement. Additional ongoing training subjects to meet the annual 16-hour training
59.28 requirement must be selected from the following areas:

59.29 (1) child development and learning training in understanding how a child develops
59.30 physically, cognitively, emotionally, and socially, and how a child learns as part of the
59.31 child's family, culture, and community;

60.1 (2) developmentally appropriate learning experiences, including training in creating
60.2 positive learning experiences, promoting cognitive development, promoting social and
60.3 emotional development, promoting physical development, promoting creative development;
60.4 and behavior guidance;

60.5 (3) relationships with families, including training in building a positive, respectful
60.6 relationship with the child's family;

60.7 (4) assessment, evaluation, and individualization, including training in observing,
60.8 recording, and assessing development; assessing and using information to plan; and assessing
60.9 and using information to enhance and maintain program quality;

60.10 (5) historical and contemporary development of early childhood education, including
60.11 training in past and current practices in early childhood education and how current events
60.12 and issues affect children, families, and programs;

60.13 (6) professionalism, including training in knowledge, skills, and abilities that promote
60.14 ongoing professional development; and

60.15 (7) health, safety, and nutrition, including training in establishing healthy practices;
60.16 ensuring safety; and providing healthy nutrition.

60.17 (b) A provider who is approved as a trainer through the Develop data system may count
60.18 up to two hours of training instruction toward the annual 16-hour training requirement in
60.19 paragraph (a). The provider may only count training instruction hours for the first instance
60.20 in which they deliver a particular content-specific training during each licensing year. Hours
60.21 counted as training instruction must be approved through the Develop data system with
60.22 attendance verified on the trainer's individual learning record and must be in Knowledge
60.23 and Competency Framework content area VII A (Establishing Healthy Practices) or B
60.24 (Ensuring Safety).

60.25 Sec. 10. Minnesota Statutes 2020, section 245A.50, subdivision 9, is amended to read:

60.26 Subd. 9. **Supervising for safety; training requirement.** (a) Courses required by this
60.27 subdivision must include the following health and safety topics:

60.28 (1) preventing and controlling infectious diseases;

60.29 (2) administering medication;

60.30 (3) preventing and responding to allergies;

60.31 (4) ensuring building and physical premises safety;

61.1 (5) handling and storing biological contaminants;

61.2 (6) preventing and reporting child abuse and maltreatment; and

61.3 (7) emergency preparedness.

61.4 (b) Before initial licensure and before caring for a child, all family child care license
61.5 holders and each second adult caregiver shall complete and document the completion of
61.6 the six-hour Supervising for Safety for Family Child Care course developed by the
61.7 commissioner.

61.8 (c) The license holder must ensure and document that, before caring for a child, all
61.9 substitutes have completed the four-hour Basics of Licensed Family Child Care for
61.10 Substitutes course developed by the commissioner, which must include health and safety
61.11 topics as well as child development and learning.

61.12 (d) The family child care license holder and each second adult caregiver shall complete
61.13 and document:

61.14 (1) the annual completion of either:

61.15 (i) a two-hour active supervision course developed by the commissioner; or

61.16 (ii) any courses in the ensuring safety competency area under the health, safety, and
61.17 nutrition standard of the Knowledge and Competency Framework that the commissioner
61.18 has identified as an active supervision training course; and

61.19 (2) the completion at least once every five years of the two-hour courses Health and
61.20 Safety I and Health and Safety II. When the training is due for the first time or expires, it
61.21 must be taken no later than the day before the anniversary of the license holder's license
61.22 effective date. A license holder's or second adult caregiver's completion of either training
61.23 in a given year meets the annual active supervision training requirement in clause (1).

61.24 (e) At least once every three years, license holders must ensure and document that
61.25 substitutes have completed the four-hour Basics of Licensed Family Child Care for
61.26 Substitutes course. When the training expires, it must be retaken no later than the day before
61.27 the anniversary of the license holder's license effective date.

61.28 Sec. 11. Minnesota Statutes 2020, section 245C.02, subdivision 4a, is amended to read:

61.29 Subd. 4a. **Authorized fingerprint collection vendor.** "Authorized fingerprint collection
61.30 vendor" means a qualified organization under a written contract with the commissioner to
61.31 provide services in accordance with section 245C.05, subdivision 5, paragraph (b). The

62.1 commissioner may retain the services of more than one authorized fingerprint collection
62.2 vendor.

62.3 Sec. 12. Minnesota Statutes 2020, section 245C.02, subdivision 5, is amended to read:

62.4 Subd. 5. **Background study.** "Background study" means:

62.5 (1) the collection and processing of a background study subject's fingerprints, including
62.6 the process of obtaining a background study subject's classifiable fingerprints and photograph
62.7 as required by section 245C.05, subdivision 5, paragraph (b); and

62.8 (2) the review of records conducted by the commissioner to determine whether a subject
62.9 is disqualified from direct contact with persons served by a program and, where specifically
62.10 provided in statutes, whether a subject is disqualified from having access to persons served
62.11 by a program and from working in a children's residential facility or foster residence setting.

62.12 Sec. 13. Minnesota Statutes 2020, section 245C.02, is amended by adding a subdivision
62.13 to read:

62.14 Subd. 5b. **Alternative background study.** "Alternative background study" means:

62.15 (1) the collection and processing of a background study subject's fingerprints, including
62.16 the process of obtaining a background study subject's classifiable fingerprints and photograph
62.17 as required by section 245C.05, subdivision 5, paragraph (b); and

62.18 (2) a review of records conducted by the commissioner pursuant to section 245C.08 in
62.19 order to forward the background study investigating information to the entity that submitted
62.20 the alternative background study request under section 245C.031, subdivision 2. The
62.21 commissioner shall not make any eligibility determinations on background studies conducted
62.22 under section 245C.031.

62.23 Sec. 14. Minnesota Statutes 2020, section 245C.02, is amended by adding a subdivision
62.24 to read:

62.25 Subd. 5c. **Public law background study.** "Public law background study" means a
62.26 background study conducted by the commissioner pursuant to section 245C.032.

62.27 Sec. 15. Minnesota Statutes 2020, section 245C.02, is amended by adding a subdivision
62.28 to read:

62.29 Subd. 11c. **Entity.** "Entity" means any program, organization, or agency initiating a
62.30 background study.

63.1 Sec. 16. Minnesota Statutes 2020, section 245C.02, is amended by adding a subdivision
63.2 to read:

63.3 Subd. 16a. Results. "Results" means a determination that a study subject is eligible,
63.4 disqualified, set aside, granted a variance, or that more time is needed to complete the
63.5 background study.

63.6 Sec. 17. Minnesota Statutes 2020, section 245C.03, is amended to read:

63.7 **245C.03 BACKGROUND STUDY; INDIVIDUALS TO BE STUDIED.**

63.8 Subdivision 1. **Licensed programs.** (a) The commissioner shall conduct a background
63.9 study on:

63.10 (1) the person or persons applying for a license;

63.11 (2) an individual age 13 and over living in the household where the licensed program
63.12 will be provided who is not receiving licensed services from the program;

63.13 (3) current or prospective employees or contractors of the applicant who will have direct
63.14 contact with persons served by the facility, agency, or program;

63.15 (4) volunteers or student volunteers who will have direct contact with persons served
63.16 by the program to provide program services if the contact is not under the continuous, direct
63.17 supervision by an individual listed in clause (1) or (3);

63.18 (5) an individual age ten to 12 living in the household where the licensed services will
63.19 be provided when the commissioner has reasonable cause as defined in section 245C.02,
63.20 subdivision 15;

63.21 (6) an individual who, without providing direct contact services at a licensed program,
63.22 may have unsupervised access to children or vulnerable adults receiving services from a
63.23 program, when the commissioner has reasonable cause as defined in section 245C.02,
63.24 subdivision 15;

63.25 (7) all controlling individuals as defined in section 245A.02, subdivision 5a;

63.26 (8) notwithstanding the other requirements in this subdivision, child care background
63.27 study subjects as defined in section 245C.02, subdivision 6a; and

63.28 (9) notwithstanding clause (3), for children's residential facilities and foster residence
63.29 settings, any adult working in the facility, whether or not the individual will have direct
63.30 contact with persons served by the facility.

64.1 (b) For child foster care when the license holder resides in the home where foster care
64.2 services are provided, a short-term substitute caregiver providing direct contact services for
64.3 a child for less than 72 hours of continuous care is not required to receive a background
64.4 study under this chapter.

64.5 (c) This subdivision applies to the following programs that must be licensed under
64.6 chapter 245A:

64.7 (1) adult foster care;

64.8 (2) child foster care;

64.9 (3) children's residential facilities;

64.10 (4) family child care;

64.11 (5) licensed child care centers;

64.12 (6) licensed home and community-based services under chapter 245D;

64.13 (7) residential mental health programs for adults;

64.14 (8) substance use disorder treatment programs under chapter 245G;

64.15 (9) withdrawal management programs under chapter 245F;

64.16 (10) adult day care centers;

64.17 (11) family adult day services;

64.18 (12) independent living assistance for youth;

64.19 (13) detoxification programs;

64.20 (14) community residential settings; and

64.21 (15) intensive residential treatment services and residential crisis stabilization under
64.22 chapter 245I.

64.23 Subd. 1a. Procedure. (a) Individuals and organizations that are required under this
64.24 section to have or initiate background studies shall comply with the requirements of this
64.25 chapter.

64.26 (b) All studies conducted under this section shall be conducted according to sections
64.27 299C.60 to 299C.64. This requirement does not apply to subdivisions 1, paragraph (c),
64.28 clauses (2) to (5), and 6a.

65.1 Subd. 2. **Personal care provider organizations.** The commissioner shall conduct
65.2 background studies on any individual required under sections 256B.0651 to 256B.0654 and
65.3 256B.0659 to have a background study completed under this chapter.

65.4 Subd. 3. **Supplemental nursing services agencies.** The commissioner shall conduct all
65.5 background studies required under this chapter and initiated by supplemental nursing services
65.6 agencies registered under section 144A.71, subdivision 1.

65.7 Subd. 3a. **Personal care assistance provider agency; background studies.** Personal
65.8 care assistance provider agencies enrolled to provide personal care assistance services under
65.9 the medical assistance program must meet the following requirements:

65.10 (1) owners who have a five percent interest or more and all managing employees are
65.11 subject to a background study as provided in this chapter. This requirement applies to
65.12 currently enrolled personal care assistance provider agencies and agencies seeking enrollment
65.13 as a personal care assistance provider agency. "Managing employee" has the same meaning
65.14 as Code of Federal Regulations, title 42, section 455.101. An organization is barred from
65.15 enrollment if:

65.16 (i) the organization has not initiated background studies of owners and managing
65.17 employees; or

65.18 (ii) the organization has initiated background studies of owners and managing employees
65.19 and the commissioner has sent the organization a notice that an owner or managing employee
65.20 of the organization has been disqualified under section 245C.14, and the owner or managing
65.21 employee has not received a set aside of the disqualification under section 245C.22; and

65.22 (2) a background study must be initiated and completed for all qualified professionals.

65.23 Subd. 3b. **Exception to personal care assistant; requirements.** The personal care
65.24 assistant for a recipient may be allowed to enroll with a different personal care assistance
65.25 provider agency upon initiation of a new background study according to this chapter if:

65.26 (1) the commissioner determines that a change in enrollment or affiliation of the personal
65.27 care assistant is needed in order to ensure continuity of services and protect the health and
65.28 safety of the recipient;

65.29 (2) the chosen agency has been continuously enrolled as a personal care assistance
65.30 provider agency for at least two years;

65.31 (3) the recipient chooses to transfer to the personal care assistance provider agency;

66.1 (4) the personal care assistant has been continuously enrolled with the former personal
66.2 care assistance provider agency since the last background study was completed; and

66.3 (5) the personal care assistant continues to meet requirements of section 256B.0659,
66.4 subdivision 11, notwithstanding paragraph (a), clause (3).

66.5 **Subd. 4. Personnel agencies; educational programs; professional services**
66.6 **agencies.** The commissioner also may conduct studies on individuals specified in subdivision
66.7 1, paragraph (a), clauses (3) and (4), when the studies are initiated by:

66.8 (1) personnel pool agencies;

66.9 (2) temporary personnel agencies;

66.10 (3) educational programs that train individuals by providing direct contact services in
66.11 licensed programs; and

66.12 (4) professional services agencies that are not licensed and which contract with licensed
66.13 programs to provide direct contact services or individuals who provide direct contact services.

66.14 **Subd. 5. Other state agencies.** The commissioner shall conduct background studies on
66.15 applicants and license holders under the jurisdiction of other state agencies who are required
66.16 in other statutory sections to initiate background studies under this chapter, including the
66.17 applicant's or license holder's employees, contractors, and volunteers when required under
66.18 other statutory sections.

66.19 **Subd. 5a. Facilities serving children or adults licensed or regulated by the**
66.20 **Department of Health.** (a) The commissioner shall conduct background studies of:

66.21 (1) individuals providing services who have direct contact, as defined under section
66.22 245C.02, subdivision 11, with patients and residents in hospitals, boarding care homes,
66.23 outpatient surgical centers licensed under sections 144.50 to 144.58; nursing homes and
66.24 home care agencies licensed under chapter 144A; assisted living facilities and assisted living
66.25 facilities with dementia care licensed under chapter 144G; and board and lodging
66.26 establishments that are registered to provide supportive or health supervision services under
66.27 section 157.17;

66.28 (2) individuals specified in subdivision 2 who provide direct contact services in a nursing
66.29 home or a home care agency licensed under chapter 144A; an assisted living facility or
66.30 assisted living facility with dementia care licensed under chapter 144G; or a boarding care
66.31 home licensed under sections 144.50 to 144.58. If the individual undergoing a study resides
66.32 outside of Minnesota, the study must include a check for substantiated findings of

67.1 maltreatment of adults and children in the individual's state of residence when the state
67.2 makes the information available;

67.3 (3) all other employees in assisted living facilities or assisted living facilities with
67.4 dementia care licensed under chapter 144G, nursing homes licensed under chapter 144A,
67.5 and boarding care homes licensed under sections 144.50 to 144.58. A disqualification of
67.6 an individual in this section shall disqualify the individual from positions allowing direct
67.7 contact with or access to patients or residents receiving services. "Access" means physical
67.8 access to a client or the client's personal property without continuous, direct supervision as
67.9 defined in section 245C.02, subdivision 8, when the employee's employment responsibilities
67.10 do not include providing direct contact services;

67.11 (4) individuals employed by a supplemental nursing services agency, as defined under
67.12 section 144A.70, who are providing services in health care facilities; and

67.13 (5) controlling persons of a supplemental nursing services agency, as defined by section
67.14 144A.70.

67.15 (b) If a facility or program is licensed by the Department of Human Services and the
67.16 Department of Health and is subject to the background study provisions of this chapter, the
67.17 Department of Human Services is solely responsible for the background studies of individuals
67.18 in the jointly licensed program.

67.19 (c) The commissioner of health shall review and make decisions regarding reconsideration
67.20 requests, including whether to grant variances, according to the procedures and criteria in
67.21 this chapter. The commissioner of health shall inform the requesting individual and the
67.22 Department of Human Services of the commissioner of health's decision regarding the
67.23 reconsideration. The commissioner of health's decision to grant or deny a reconsideration
67.24 of a disqualification is a final administrative agency action.

67.25 Subd. 5b. **Facilities serving children or youth licensed by the Department of**
67.26 **Corrections.** (a) The commissioner shall conduct background studies of individuals working
67.27 in secure and nonsecure children's residential facilities, juvenile detention facilities, and
67.28 foster residence settings, whether or not the individual will have direct contact, as defined
67.29 under section 245C.02, subdivision 11, with persons served in the facilities or settings.

67.30 (b) A clerk or administrator of any court, the Bureau of Criminal Apprehension, a
67.31 prosecuting attorney, a county sheriff, or a chief of a local police department shall assist in
67.32 conducting background studies by providing the commissioner of human services or the
67.33 commissioner's representative all criminal conviction data available from local and state

68.1 criminal history record repositories related to applicants, operators, all persons living in a
68.2 household, and all staff of any facility subject to background studies under this subdivision.

68.3 (c) For the purpose of this subdivision, the term "secure and nonsecure residential facility
68.4 and detention facility" includes programs licensed or certified under section 241.021,
68.5 subdivision 2.

68.6 (d) If an individual is disqualified, the Department of Human Services shall notify the
68.7 disqualified individual and the facility in which the disqualified individual provides services
68.8 of the disqualification and shall inform the disqualified individual of the right to request a
68.9 reconsideration of the disqualification by submitting the request to the Department of
68.10 Corrections.

68.11 (e) The commissioner of corrections shall review and make decisions regarding
68.12 reconsideration requests, including whether to grant variances, according to the procedures
68.13 and criteria in this chapter. The commissioner of corrections shall inform the requesting
68.14 individual and the Department of Human Services of the commissioner of corrections'
68.15 decision regarding the reconsideration. The commissioner of corrections' decision to grant
68.16 or deny a reconsideration of a disqualification is the final administrative agency action.

68.17 **Subd. 6. Unlicensed home and community-based waiver providers of service to**
68.18 **seniors and individuals with disabilities.** (a) The commissioner shall conduct background
68.19 studies on of any individual required under section 256B.4912 to have a background study
68.20 completed under this chapter who provides direct contact, as defined in section 245C.02,
68.21 subdivision 11, for services specified in the federally approved home and community-based
68.22 waiver plans under section 256B.4912. The individual studied must meet the requirements
68.23 of this chapter prior to providing waiver services and as part of ongoing enrollment.

68.24 (b) The requirements in paragraph (a) apply to consumer-directed community supports
68.25 under section 256B.4911.

68.26 **Subd. 6a. Legal nonlicensed and certified child care programs.** The commissioner
68.27 shall conduct background studies on an individual for each child care background study
68.28 subject as defined in section 245C.02, subdivision 6a, as required under by sections 119B.125
68.29 and 245H.10 to complete a background study under this chapter.

68.30 **Subd. 7. Children's therapeutic services and supports providers.** The commissioner
68.31 shall conduct background studies according to this chapter when initiated by a children's
68.32 therapeutic services and supports provider of all direct service providers and volunteers for
68.33 children's therapeutic services and supports providers under section 256B.0943.

69.1 ~~Subd. 8. **Self-initiated background studies.** Upon implementation of NETStudy 2.0,~~
69.2 ~~the commissioner shall conduct background studies according to this chapter when initiated~~
69.3 ~~by an individual who is not on the master roster. A subject under this subdivision who is~~
69.4 ~~not disqualified must be placed on the inactive roster.~~

69.5 Subd. 9. **Community first services and supports and financial management services**
69.6 **organizations.** ~~The commissioner shall conduct background studies on any individual~~
69.7 ~~required under section 256B.85 to have a background study completed under this chapter.~~
69.8 Individuals affiliated with Community First Services and Supports (CFSS) agency-providers
69.9 and Financial Management Services (FMS) providers enrolled to provide CFSS services
69.10 under the medical assistance program must meet the following requirements:

69.11 (1) owners who have a five percent interest or more and all managing employees are
69.12 subject to a background study under this chapter. This requirement applies to currently
69.13 enrolled providers and agencies seeking enrollment. "Managing employee" has the meaning
69.14 given in Code of Federal Regulations, title 42, section 455.101. An organization is barred
69.15 from enrollment if:

69.16 (i) the organization has not initiated background studies of owners and managing
69.17 employees; or

69.18 (ii) the organization has initiated background studies of owners and managing employees
69.19 and the commissioner has sent the organization a notice that an owner or managing employee
69.20 of the organization has been disqualified under section 245C.14 and the owner or managing
69.21 employee has not received a set aside of the disqualification under section 245C.22;

69.22 (2) a background study must be initiated and completed for all staff who will have direct
69.23 contact with the participant to provide worker training and development; and

69.24 (3) a background study must be initiated and completed for all support workers.

69.25 Subd. 9a. **Exception to support worker requirements for continuity of services.** The
69.26 support worker for a participant may enroll with a different Community First Services and
69.27 Supports (CFSS) agency-provider or Financial Management Services (FMS) provider upon
69.28 initiation, rather than completion, of a new background study according to this chapter if:

69.29 (1) the commissioner determines that the support worker's change in enrollment or
69.30 affiliation is necessary to ensure continuity of services and to protect the health and safety
69.31 of the participant;

70.1 (2) the chosen agency-provider or FMS provider has been continuously enrolled as a
 70.2 CFSS agency-provider or FMS provider for at least two years or since the inception of the
 70.3 CFSS program, whichever is shorter;

70.4 (3) the participant served by the support worker chooses to transfer to the CFSS
 70.5 agency-provider or the FMS provider to which the support worker is transferring;

70.6 (4) the support worker has been continuously enrolled with the former CFSS
 70.7 agency-provider or FMS provider since the support worker's last background study was
 70.8 completed; and

70.9 (5) the support worker continues to meet the requirements of section 256B.85, subdivision
 70.10 16, notwithstanding paragraph (a), clause (1).

70.11 **Subd. 10. Providers of group residential housing or supplementary services.** (a) The
 70.12 commissioner shall conduct background studies on any individual required under section
 70.13 256I.04 to have a background study completed under this chapter. of the following individuals
 70.14 who provide services under section 256I.04:

70.15 (1) controlling individuals as defined in section 245A.02;

70.16 (2) managerial officials as defined in section 245A.02; and

70.17 (3) all employees and volunteers of the establishment who have direct contact with
 70.18 recipients or who have unsupervised access to recipients, recipients' personal property, or
 70.19 recipients' private data.

70.20 (b) The provider of housing support must comply with all requirements for entities
 70.21 initiating background studies under this chapter.

70.22 (c) A provider of housing support must demonstrate that all individuals who are required
 70.23 to have a background study according to paragraph (a) have a notice stating that:

70.24 (1) the individual is not disqualified under section 245C.14; or

70.25 (2) the individual is disqualified and the individual has been issued a set aside of the
 70.26 disqualification for the setting under section 245C.22.

70.27 **Subd. 11. ~~Child protection workers or social services staff having responsibility for~~**
 70.28 **~~child protective duties.~~** (a) The commissioner must complete background studies, according
 70.29 to paragraph (b) and section 245C.04, subdivision 10, when initiated by a county social
 70.30 services agency or by a local welfare agency according to section 626.559, subdivision 1b.

71.1 ~~(b) For background studies completed by the commissioner under this subdivision, the~~
71.2 ~~commissioner shall not make a disqualification decision, but shall provide the background~~
71.3 ~~study information received to the county that initiated the study.~~

71.4 Subd. 12. **Providers of special transportation service.** (a) The commissioner shall
71.5 conduct background studies on any individual required under section 174.30 to have a
71.6 background study completed under this chapter. of the following individuals who provide
71.7 special transportation services under section 174.30:

71.8 (1) each person with a direct or indirect ownership interest of five percent or higher in
71.9 a transportation service provider;

71.10 (2) each controlling individual as defined under section 245A.02;

71.11 (3) a managerial official as defined in section 245A.02;

71.12 (4) each driver employed by the transportation service provider;

71.13 (5) each individual employed by the transportation service provider to assist a passenger
71.14 during transport; and

71.15 (6) each employee of the transportation service agency who provides administrative
71.16 support, including an employee who:

71.17 (i) may have face-to-face contact with or access to passengers, passengers' personal
71.18 property, or passengers' private data;

71.19 (ii) performs any scheduling or dispatching tasks; or

71.20 (iii) performs any billing activities.

71.21 (b) When a local or contracted agency is authorizing a ride under section 256B.0625,
71.22 subdivision 17, by a volunteer driver, and the agency authorizing the ride has a reason to
71.23 believe that the volunteer driver has a history that would disqualify the volunteer driver or
71.24 that may pose a risk to the health or safety of passengers, the agency may initiate a
71.25 background study that shall be completed according to this chapter using the commissioner
71.26 of human services' online NETStudy system, or by contacting the Department of Human
71.27 Services background study division for assistance. The agency that initiates the background
71.28 study under this paragraph shall be responsible for providing the volunteer driver with the
71.29 privacy notice required by section 245C.05, subdivision 2c, and with the payment for the
71.30 background study required by section 245C.10 before the background study is completed.

72.1 Subd. 13. **Providers of housing support services.** The commissioner shall conduct
 72.2 background studies ~~on~~ of any individual provider of housing support services required ~~under~~
 72.3 by section 256B.051 to have a background study completed under this chapter.

72.4 Subd. 14. Tribal nursing facilities. For completed background studies to comply with
 72.5 a Tribal organization's licensing requirements for individuals affiliated with a tribally licensed
 72.6 nursing facility, the commissioner shall obtain state and national criminal history data.

72.7 Subd. 15. Early intensive developmental and behavioral intervention providers. The
 72.8 commissioner shall conduct background studies according to this chapter when initiated by
 72.9 an early intensive developmental and behavioral intervention provider under section
 72.10 256B.0949.

72.11 EFFECTIVE DATE. This section is effective July 1, 2021, except subdivision 6,
 72.12 paragraph (b), is effective upon federal approval and subdivision 15 is effective the day
 72.13 following final enactment. The commissioner of human services shall notify the revisor of
 72.14 statutes when federal approval is obtained.

72.15 Sec. 18. [245C.031] BACKGROUND STUDY; ALTERNATIVE BACKGROUND
 72.16 STUDIES.

72.17 Subdivision 1. Alternative background studies. (a) The commissioner shall conduct
 72.18 an alternative background study of individuals listed in this section.

72.19 (b) Notwithstanding other sections of this chapter, all alternative background studies
 72.20 except subdivision 12 shall be conducted according to this section and with section 299C.60
 72.21 to 299C.64.

72.22 (c) All terms in this section shall have the definitions provided in section 245C.02.

72.23 (d) The entity that submits an alternative background study request under this section
 72.24 shall submit the request to the commissioner according to section 245C.05.

72.25 (e) The commissioner shall comply with the destruction requirements in section 245C.051.

72.26 (f) Background studies conducted under this section are subject to the provisions of
 72.27 section 245C.32.

72.28 (g) The commissioner shall forward all information that the commissioner receives under
 72.29 section 245C.08 to the entity that submitted the alternative background study request under
 72.30 subdivision 2. The commissioner shall not make any eligibility determinations regarding
 72.31 background studies conducted under this section.

73.1 Subd. 2. **Access to information.** Each entity that submits an alternative background
73.2 study request shall enter into an agreement with the commissioner before submitting requests
73.3 for alternative background studies under this section. As a part of the agreement, the entity
73.4 must agree to comply with state and federal law.

73.5 Subd. 3. **Child protection workers or social services staff having responsibility for**
73.6 **child protective duties.** The commissioner shall conduct an alternative background study
73.7 of any person who has responsibility for child protection duties when the background study
73.8 is initiated by a county social services agency or by a local welfare agency according to
73.9 section 260E.36, subdivision 3.

73.10 Subd. 4. **Applicants, licensees, and other occupations regulated by the commissioner**
73.11 **of health.** The commissioner shall conduct an alternative background study, including a
73.12 check of state data, and a national criminal history records check of the following individuals.
73.13 For studies under this section, the following persons shall complete a consent form:

73.14 (1) an applicant for initial licensure, temporary licensure, or relicensure after a lapse in
73.15 licensure as an audiologist or speech-language pathologist or an applicant for initial
73.16 certification as a hearing instrument dispenser who must submit to a background study
73.17 under section 144.0572.

73.18 (2) an applicant for a renewal license or certificate as an audiologist, speech-language
73.19 pathologist, or hearing instrument dispenser who was licensed or obtained a certificate
73.20 before January 1, 2018.

73.21 Subd. 5. **Guardians and conservators.** (a) The commissioner shall conduct an alternative
73.22 background study of:

73.23 (1) every court-appointed guardian and conservator, unless a background study has been
73.24 completed of the person under this section within the previous five years. The alternative
73.25 background study shall be completed prior to the appointment of the guardian or conservator,
73.26 unless a court determines that it would be in the best interests of the ward or protected person
73.27 to appoint a guardian or conservator before the alternative background study can be
73.28 completed. If the court appoints the guardian or conservator while the alternative background
73.29 study is pending, the alternative background study must be completed as soon as reasonably
73.30 possible after the guardian or conservator's appointment and no later than 30 days after the
73.31 guardian or conservator's appointment; and

73.32 (2) a guardian and a conservator once every five years after the guardian or conservator's
73.33 appointment if the person continues to serve as a guardian or conservator.

74.1 (b) An alternative background study is not required if the guardian or conservator is:

74.2 (1) a state agency or county;

74.3 (2) a parent or guardian of a proposed ward or protected person who has a developmental
74.4 disability if the parent or guardian has raised the proposed ward or protected person in the
74.5 family home until the time that the petition is filed, unless counsel appointed for the proposed
74.6 ward or protected person under section 524.5-205, paragraph (d); 524.5-304, paragraph (b);
74.7 524.5-405, paragraph (a); or 524.5-406, paragraph (b), recommends a background study;
74.8 or

74.9 (3) a bank with trust powers, a bank and trust company, or a trust company, organized
74.10 under the laws of any state or of the United States and regulated by the commissioner of
74.11 commerce or a federal regulator.

74.12 Subd. 6. **Guardians and conservators; required checks.** (a) An alternative background
74.13 study for a guardian or conservator pursuant to subdivision 5 shall include:

74.14 (1) criminal history data from the Bureau of Criminal Apprehension and other criminal
74.15 history data obtained by the commissioner of human services;

74.16 (2) data regarding whether the person has been a perpetrator of substantiated maltreatment
74.17 of a vulnerable adult under section 626.557 or a minor under chapter 260E. If the subject
74.18 of the study has been the perpetrator of substantiated maltreatment of a vulnerable adult or
74.19 a minor, the commissioner must include a copy of the public portion of the investigation
74.20 memorandum under section 626.557, subdivision 12b, or the public portion of the
74.21 investigation memorandum under section 260E.30. The commissioner shall provide the
74.22 court with information from a review of information according to subdivision 7 if the study
74.23 subject provided information that the study subject has a current or prior affiliation with a
74.24 state licensing agency;

74.25 (3) criminal history data from a national criminal history record check as defined in
74.26 section 245C.02, subdivision 13c; and

74.27 (4) state licensing agency data if a search of the database or databases of the agencies
74.28 listed in subdivision 7 shows that the proposed guardian or conservator has held a
74.29 professional license directly related to the responsibilities of a professional fiduciary from
74.30 an agency listed in subdivision 7 that was conditioned, suspended, revoked, or canceled.

74.31 (b) If the guardian or conservator is not an individual, the background study must be
74.32 completed of all individuals who are currently employed by the proposed guardian or

75.1 conservator who are responsible for exercising powers and duties under the guardianship
75.2 or conservatorship.

75.3 Subd. 7. **Guardians and conservators; state licensing data.** (a) Within 25 working
75.4 days of receiving the request for an alternative background study of a guardian or conservator,
75.5 the commissioner shall provide the court with licensing agency data for licenses directly
75.6 related to the responsibilities of a guardian or conservator if the study subject has a current
75.7 or prior affiliation with the:

75.8 (1) Lawyers Responsibility Board;

75.9 (2) State Board of Accountancy;

75.10 (3) Board of Social Work;

75.11 (4) Board of Psychology;

75.12 (5) Board of Nursing;

75.13 (6) Board of Medical Practice;

75.14 (7) Department of Education;

75.15 (8) Department of Commerce;

75.16 (9) Board of Chiropractic Examiners;

75.17 (10) Board of Dentistry;

75.18 (11) Board of Marriage and Family Therapy;

75.19 (12) Department of Human Services;

75.20 (13) Peace Officer Standards and Training (POST) Board; and

75.21 (14) Professional Educator Licensing and Standards Board.

75.22 (b) The commissioner and each of the agencies listed above, except for the Department
75.23 of Human Services, shall enter into a written agreement to provide the commissioner with
75.24 electronic access to the relevant licensing data and to provide the commissioner with a
75.25 quarterly list of new sanctions issued by the agency.

75.26 (c) The commissioner shall provide to the court the electronically available data
75.27 maintained in the agency's database, including whether the proposed guardian or conservator
75.28 is or has been licensed by the agency and whether a disciplinary action or a sanction against
75.29 the individual's license, including a condition, suspension, revocation, or cancellation, is in
75.30 the licensing agency's database.

76.1 (d) If the proposed guardian or conservator has resided in a state other than Minnesota
76.2 during the previous ten years, licensing agency data under this section shall also include
76.3 licensing agency data from any other state where the proposed guardian or conservator
76.4 reported to have resided during the previous ten years if the study subject has a current or
76.5 prior affiliation to the licensing agency. If the proposed guardian or conservator has or has
76.6 had a professional license in another state that is directly related to the responsibilities of a
76.7 guardian or conservator from one of the agencies listed under paragraph (a), state licensing
76.8 agency data shall also include data from the relevant licensing agency of the other state.

76.9 (e) The commissioner is not required to repeat a search for Minnesota or out-of-state
76.10 licensing data on an individual if the commissioner has provided this information to the
76.11 court within the prior five years.

76.12 (f) The commissioner shall review the information in paragraph (c) at least once every
76.13 four months to determine whether an individual who has been studied within the previous
76.14 five years:

76.15 (1) has any new disciplinary action or sanction against the individual's license; or

76.16 (2) did not disclose a prior or current affiliation with a Minnesota licensing agency.

76.17 (g) If the commissioner's review in paragraph (f) identifies new information, the
76.18 commissioner shall provide any new information to the court.

76.19 Subd. 8. **Guardians ad litem.** The commissioner shall conduct an alternative background
76.20 study of:

76.21 (1) a guardian ad litem appointed under section 518.165 if a background study of the
76.22 guardian ad litem has not been completed within the past three years. The background study
76.23 of the guardian ad litem must be completed before the court appoints the guardian ad litem,
76.24 unless the court determines that it is in the best interests of the child to appoint the guardian
76.25 ad litem before a background study is completed by the commissioner.

76.26 (2) a guardian ad litem once every three years after the guardian has been appointed, as
76.27 long as the individual continues to serve as a guardian ad litem.

76.28 Subd. 9. **Guardians ad litem; required checks.** (a) An alternative background study
76.29 for a guardian ad litem under subdivision 8 must include:

76.30 (1) criminal history data from the Bureau of Criminal Apprehension and other criminal
76.31 history data obtained by the commissioner of human services; and

77.1 (2) data regarding whether the person has been a perpetrator of substantiated maltreatment
77.2 of a minor or a vulnerable adult. If the study subject has been determined by the Department
77.3 of Human Services or the Department of Health to be the perpetrator of substantiated
77.4 maltreatment of a minor or a vulnerable adult in a licensed facility, the response must include
77.5 a copy of the public portion of the investigation memorandum under section 260E.30 or the
77.6 public portion of the investigation memorandum under section 626.557, subdivision 12b.
77.7 When the background study shows that the subject has been determined by a county adult
77.8 protection or child protection agency to have been responsible for maltreatment, the court
77.9 shall be informed of the county, the date of the finding, and the nature of the maltreatment
77.10 that was substantiated.

77.11 (b) For checks of records under paragraph (a), clauses (1) and (2), the commissioner
77.12 shall provide the records within 15 working days of receiving the request. The information
77.13 obtained under sections 245C.05 and 245C.08 from a national criminal history records
77.14 check shall be provided within three working days of the commissioner's receipt of the data.

77.15 (c) Notwithstanding section 260E.30 or 626.557, subdivision 12b, if the commissioner
77.16 or county lead agency or lead investigative agency has information that a person of whom
77.17 a background study was previously completed under this section has been determined to
77.18 be a perpetrator of maltreatment of a minor or vulnerable adult, the commissioner or the
77.19 county may provide this information to the court that requested the background study.

77.20 Subd. 10. **First-time applicants for educator licenses with the Professional Educator**
77.21 **Licensing and Standards Board.** The Professional Educator Licensing and Standards
77.22 Board shall make all eligibility determinations for alternative background studies conducted
77.23 under this section for the Professional Educator Licensing and Standards Board. The
77.24 commissioner may conduct an alternative background study of all first-time applicants for
77.25 educator licenses pursuant to section 122A.18, subdivision 8. The alternative background
77.26 study for all first-time applicants for educator licenses must include a review of information
77.27 from the Bureau of Criminal Apprehension, including criminal history data as defined in
77.28 section 13.87, and must also include a review of the national criminal records repository.

77.29 Subd. 11. **First-time applicants for administrator licenses with the Board of School**
77.30 **Administrators.** The Board of School Administrators shall make all eligibility determinations
77.31 for alternative background studies conducted under this section for the Board of School
77.32 Administrators. The commissioner may conduct an alternative background study of all
77.33 first-time applicants for administrator licenses pursuant to section 122A.18, subdivision 8.
77.34 The alternative background study for all first-time applicants for administrator licenses must
77.35 include a review of information from the Bureau of Criminal Apprehension, including

78.1 criminal history data as defined in section 13.87, and must also include a review of the
78.2 national criminal records repository.

78.3 Subd. 12. **Occupations regulated by MNsure.** (a) The commissioner shall conduct a
78.4 background study of any individual required under section 62V.05 to have a background
78.5 study completed under this chapter. Notwithstanding subdivision 1, paragraph (g), the
78.6 commissioner shall conduct a background study only based on Minnesota criminal records
78.7 of:

78.8 (1) each navigator;

78.9 (2) each in-person assister; and

78.10 (3) each certified application counselor.

78.11 (b) The MNsure board of directors may initiate background studies required by paragraph
78.12 (a) using the online NETStudy 2.0 system operated by the commissioner.

78.13 (c) The commissioner shall review information that the commissioner receives to
78.14 determine if the study subject has potentially disqualifying offenses. The commissioner
78.15 shall send a letter to the subject indicating any of the subject's potential disqualifications as
78.16 well as any relevant records. The commissioner shall send a copy of the letter indicating
78.17 any of the subject's potential disqualifications to the MNsure board.

78.18 (d) The MNsure board or its delegate shall review a reconsideration request of an
78.19 individual in paragraph (a), including granting a set aside, according to the procedures and
78.20 criteria in chapter 245C. The board shall notify the individual and the Department of Human
78.21 Services of the board's decision.

78.22 Sec. 19. **[245C.032] PUBLIC LAW BACKGROUND STUDIES.**

78.23 Subdivision 1. **Public law background studies.** (a) Notwithstanding all other sections
78.24 of chapter 245C, the commissioner shall conduct public law background studies exclusively
78.25 in accordance with this section. The commissioner shall conduct a public law background
78.26 study under this section for an individual having direct contact with persons served by a
78.27 licensed sex offender treatment program under chapters 246B and 253D.

78.28 (b) All terms in this section shall have the definitions provided in section 245C.02.

78.29 (c) The commissioner shall conduct public law background studies according to the
78.30 following:

78.31 (1) section 245C.04, subdivision 1, paragraphs (a), (b), (d), (g), (h), and (i), subdivision
78.32 4a, and subdivision 7;

- 79.1 (2) section 245C.05, subdivision 1, paragraphs (a) and (d), subdivisions 2, 2c, and 2d,
79.2 subdivision 4, paragraph (a), clauses (1) and (2), subdivision 5, paragraphs (b) to (f), and
79.3 subdivisions 6 and 7;
- 79.4 (3) section 245C.051;
- 79.5 (4) section 245C.07, paragraphs (a), (b), (d), and (f);
- 79.6 (5) section 245C.08, subdivision 1, paragraph (a), clauses (1) to (5), paragraphs (b), (c),
79.7 (d), and (e), subdivision 3, and subdivision 4, paragraphs (a), (c), (d), and (e);
- 79.8 (6) section 245C.09, subdivisions 1 and 2;
- 79.9 (7) section 245C.10, subdivision 9;
- 79.10 (8) section 245C.13, subdivision 1, and subdivision 2, paragraph (a), and paragraph (c),
79.11 clauses (1) to (3);
- 79.12 (9) section 245C.14, subdivisions 1 and 2;
- 79.13 (10) section 245C.15;
- 79.14 (11) section 245C.16, subdivision 1, paragraphs (a), (b), (c), and (f), and subdivision 2,
79.15 paragraphs (a) and (b);
- 79.16 (12) section 245C.17, subdivision 1, subdivision 2, paragraph (a), clauses (1) to (3),
79.17 clause (6), item (ii), subdivision 3, paragraphs (a) and (b), paragraph (c), clauses (1) and
79.18 (2), items (ii) and (iii), paragraph (d), clauses (1) and (2), item (ii), and paragraph (e);
- 79.19 (13) section 245C.18, paragraph (a);
- 79.20 (14) section 245C.19;
- 79.21 (15) section 245C.20;
- 79.22 (16) section 245C.21, subdivision 1, subdivision 1a, paragraph (c), and subdivisions 2,
79.23 3, and 4;
- 79.24 (17) section 245C.22, subdivisions 1, 2, and 3, subdivision 4, paragraphs (a) to (c),
79.25 subdivision 5, paragraphs (a), (b), and (d), and subdivision 6;
- 79.26 (18) section 245C.23, subdivision 1, paragraphs (a) and (b), and subdivision 2, paragraphs
79.27 (a) to (c);
- 79.28 (19) section 245C.24, subdivision 2, paragraph (a);
- 79.29 (20) section 245C.25;
- 79.30 (21) section 245C.27;

80.1 (22) section 245C.28;

80.2 (23) section 245C.29, subdivision 1, and subdivision 2, paragraphs (a) and (c);

80.3 (24) section 245C.30, subdivision 1, paragraphs (a) and (d), and subdivisions 3 to 5;

80.4 (25) section 245C.31; and

80.5 (26) section 245C.32.

80.6 Subd. 2. **Classification of public law background study data; access to**

80.7 **information.** All data obtained by the commissioner for a background study completed
80.8 under this section shall be classified as private data.

80.9 Sec. 20. Minnesota Statutes 2020, section 245C.05, subdivision 1, is amended to read:

80.10 Subdivision 1. **Individual studied.** (a) The individual who is the subject of the
80.11 background study must provide the applicant, license holder, or other entity under section
80.12 245C.04 with sufficient information to ensure an accurate study, including:

80.13 (1) the individual's first, middle, and last name and all other names by which the
80.14 individual has been known;

80.15 (2) current home address, city, and state of residence;

80.16 (3) current zip code;

80.17 (4) sex;

80.18 (5) date of birth;

80.19 (6) driver's license number or state identification number; and

80.20 (7) upon implementation of NETStudy 2.0, the home address, city, county, and state of
80.21 residence for the past five years.

80.22 (b) Every subject of a background study conducted or initiated by counties or private
80.23 agencies under this chapter must also provide the home address, city, county, and state of
80.24 residence for the past five years.

80.25 (c) Every subject of a background study related to private agency adoptions or related
80.26 to child foster care licensed through a private agency, who is 18 years of age or older, shall
80.27 also provide the commissioner a signed consent for the release of any information received
80.28 from national crime information databases to the private agency that initiated the background
80.29 study.

81.1 (d) The subject of a background study shall provide fingerprints and a photograph as
81.2 required in subdivision 5.

81.3 (e) The subject of a background study shall submit a completed criminal and maltreatment
81.4 history records check consent form for applicable national and state level record checks.

81.5 Sec. 21. Minnesota Statutes 2020, section 245C.05, subdivision 2, is amended to read:

81.6 Subd. 2. **Applicant, license holder, or other entity.** (a) The applicant, license holder,
81.7 or other ~~entities~~ entity initiating the background study as provided in this chapter shall verify
81.8 that the information collected under subdivision 1 about an individual who is the subject of
81.9 the background study is correct and must provide the information on forms or in a format
81.10 prescribed by the commissioner.

81.11 (b) The information collected under subdivision 1 about an individual who is the subject
81.12 of a completed background study may only be viewable by an entity that initiates a
81.13 subsequent background study on that individual under NETStudy 2.0 after the entity has
81.14 paid the applicable fee for the study and has provided the individual with the privacy notice
81.15 in subdivision 2c.

81.16 Sec. 22. Minnesota Statutes 2020, section 245C.05, subdivision 2a, is amended to read:

81.17 Subd. 2a. **County or private agency.** For background studies related to child foster care
81.18 when the applicant or license holder resides in the home where child foster care services
81.19 are provided, county and private agencies initiating the background study must collect the
81.20 information under subdivision 1 and forward it to the commissioner.

81.21 Sec. 23. Minnesota Statutes 2020, section 245C.05, subdivision 2b, is amended to read:

81.22 Subd. 2b. **County agency to collect and forward information to commissioner.** (a)
81.23 For background studies related to all family adult day services and to adult foster care when
81.24 the adult foster care license holder resides in the adult foster care residence, the county
81.25 agency or private agency initiating the background study must collect the information
81.26 required under subdivision 1 and forward it to the commissioner.

81.27 (b) Upon implementation of NETStudy 2.0, for background studies related to family
81.28 child care and legal nonlicensed child care authorized under chapter 119B, the county agency
81.29 initiating the background study must collect the information required under subdivision 1
81.30 and provide the information to the commissioner.

82.1 Sec. 24. Minnesota Statutes 2020, section 245C.05, subdivision 2c, is amended to read:

82.2 Subd. 2c. **Privacy notice to background study subject.** (a) Prior to initiating each
82.3 background study, the entity initiating the study must provide the commissioner's privacy
82.4 notice to the background study subject required under section 13.04, subdivision 2. The
82.5 notice must be available through the commissioner's electronic NETStudy and NETStudy
82.6 2.0 systems and shall include the information in paragraphs (b) and (c).

82.7 (b) The background study subject shall be informed that any previous background studies
82.8 that received a set-aside will be reviewed, and without further contact with the background
82.9 study subject, the commissioner may notify the agency that initiated the subsequent
82.10 background study:

82.11 (1) that the individual has a disqualification that has been set aside for the program or
82.12 agency that initiated the study;

82.13 (2) the reason for the disqualification; and

82.14 (3) that information about the decision to set aside the disqualification will be available
82.15 to the license holder upon request without the consent of the background study subject.

82.16 (c) The background study subject must also be informed that:

82.17 (1) the subject's fingerprints collected for purposes of completing the background study
82.18 under this chapter must not be retained by the Department of Public Safety, Bureau of
82.19 Criminal Apprehension, or by the commissioner. The Federal Bureau of Investigation will
82.20 ~~only retain fingerprints of subjects with a criminal history~~ not retain background study
82.21 subjects' fingerprints;

82.22 (2) effective upon implementation of NETStudy 2.0, the subject's photographic image
82.23 will be retained by the commissioner, and if the subject has provided the subject's Social
82.24 Security number for purposes of the background study, the photographic image will be
82.25 available to prospective employers and agencies initiating background studies under this
82.26 chapter to verify the identity of the subject of the background study;

82.27 (3) the ~~commissioner's~~ authorized fingerprint collection vendor or vendors shall, for
82.28 purposes of verifying the identity of the background study subject, be able to view the
82.29 identifying information entered into NETStudy 2.0 by the entity that initiated the background
82.30 study, but shall not retain the subject's fingerprints, photograph, or information from
82.31 NETStudy 2.0. The authorized fingerprint collection vendor or vendors shall retain no more
82.32 than the subject's name and the date and time the subject's fingerprints were recorded and
82.33 sent, only as necessary for auditing and billing activities;

83.1 (4) the commissioner shall provide the subject notice, as required in section 245C.17,
83.2 subdivision 1, paragraph (a), when an entity initiates a background study on the individual;

83.3 (5) the subject may request in writing a report listing the entities that initiated a
83.4 background study on the individual as provided in section 245C.17, subdivision 1, paragraph
83.5 (b);

83.6 (6) the subject may request in writing that information used to complete the individual's
83.7 background study in NETStudy 2.0 be destroyed if the requirements of section 245C.051,
83.8 paragraph (a), are met; and

83.9 (7) notwithstanding clause (6), the commissioner shall destroy:

83.10 (i) the subject's photograph after a period of two years when the requirements of section
83.11 245C.051, paragraph (c), are met; and

83.12 (ii) any data collected on a subject under this chapter after a period of two years following
83.13 the individual's death as provided in section 245C.051, paragraph (d).

83.14 Sec. 25. Minnesota Statutes 2020, section 245C.05, subdivision 2d, is amended to read:

83.15 Subd. 2d. **Fingerprint data notification.** The commissioner of human services shall
83.16 notify all background study subjects under this chapter that the Department of Human
83.17 Services, Department of Public Safety, and the Bureau of Criminal Apprehension do not
83.18 retain fingerprint data after a background study is completed, and that the Federal Bureau
83.19 of Investigation ~~only retains the fingerprints of subjects who have a criminal history~~ does
83.20 not retain background study subjects' fingerprints.

83.21 Sec. 26. Minnesota Statutes 2020, section 245C.05, subdivision 4, is amended to read:

83.22 Subd. 4. **Electronic transmission.** (a) For background studies conducted by the
83.23 Department of Human Services, the commissioner shall implement a secure system for the
83.24 electronic transmission of:

83.25 (1) background study information to the commissioner;

83.26 (2) background study results to the license holder;

83.27 (3) background study ~~results~~ information obtained under this section and section 245C.08
83.28 to counties and private agencies for background studies conducted by the commissioner for
83.29 child foster care, including a summary of nondisqualifying results, except as prohibited by
83.30 law; and

84.1 (4) background study results to county agencies for background studies conducted by
84.2 the commissioner for adult foster care and family adult day services and, upon
84.3 implementation of NETStudy 2.0, family child care and legal nonlicensed child care
84.4 authorized under chapter 119B.

84.5 (b) Unless the commissioner has granted a hardship variance under paragraph (c), a
84.6 license holder or an applicant must use the electronic transmission system known as
84.7 NETStudy or NETStudy 2.0 to submit all requests for background studies to the
84.8 commissioner as required by this chapter.

84.9 (c) A license holder or applicant whose program is located in an area in which high-speed
84.10 Internet is inaccessible may request the commissioner to grant a variance to the electronic
84.11 transmission requirement.

84.12 (d) Section 245C.08, subdivision 3, paragraph (c), applies to results transmitted under
84.13 this subdivision.

84.14 **EFFECTIVE DATE.** This section is effective July 1, 2022.

84.15 Sec. 27. Minnesota Statutes 2020, section 245C.05, subdivision 5, is amended to read:

84.16 Subd. 5. **Fingerprints and photograph.** (a) Notwithstanding paragraph (b), for
84.17 background studies conducted by the commissioner for child foster care, children's residential
84.18 facilities, adoptions, or a transfer of permanent legal and physical custody of a child, the
84.19 subject of the background study, who is 18 years of age or older, shall provide the
84.20 commissioner with a set of classifiable fingerprints obtained from an authorized agency for
84.21 a national criminal history record check.

84.22 (b) For background studies initiated on or after the implementation of NETStudy 2.0,
84.23 except as provided under subdivision 5a, every subject of a background study must provide
84.24 the commissioner with a set of the background study subject's classifiable fingerprints and
84.25 photograph. The photograph and fingerprints must be recorded at the same time by the
84.26 ~~commissioner's~~ authorized fingerprint collection vendor or vendors and sent to the
84.27 commissioner through the commissioner's secure data system described in section 245C.32,
84.28 subdivision 1a, paragraph (b).

84.29 (c) The fingerprints shall be submitted by the commissioner to the Bureau of Criminal
84.30 Apprehension and, when specifically required by law, submitted to the Federal Bureau of
84.31 Investigation for a national criminal history record check.

85.1 (d) The fingerprints must not be retained by the Department of Public Safety, Bureau
85.2 of Criminal Apprehension, or the commissioner. The Federal Bureau of Investigation will
85.3 not retain background study subjects' fingerprints.

85.4 (e) The ~~commissioner's~~ authorized fingerprint collection vendor or vendors shall, for
85.5 purposes of verifying the identity of the background study subject, be able to view the
85.6 identifying information entered into NETStudy 2.0 by the entity that initiated the background
85.7 study, but shall not retain the subject's fingerprints, photograph, or information from
85.8 NETStudy 2.0. The authorized fingerprint collection vendor or vendors shall retain no more
85.9 than the name and date and time the subject's fingerprints were recorded and sent, only as
85.10 necessary for auditing and billing activities.

85.11 (f) For any background study conducted under this chapter, the subject shall provide the
85.12 commissioner with a set of classifiable fingerprints when the commissioner has reasonable
85.13 cause to require a national criminal history record check as defined in section 245C.02,
85.14 subdivision 15a.

85.15 Sec. 28. Minnesota Statutes 2020, section 245C.08, subdivision 3, is amended to read:

85.16 Subd. 3. **Arrest and investigative information.** (a) For any background study completed
85.17 under this section, if the commissioner has reasonable cause to believe the information is
85.18 pertinent to the disqualification of an individual, the commissioner also may review arrest
85.19 and investigative information from:

85.20 (1) the Bureau of Criminal Apprehension;

85.21 (2) the commissioners of health and human services;

85.22 (3) a county attorney;

85.23 (4) a county sheriff;

85.24 (5) a county agency;

85.25 (6) a local chief of police;

85.26 (7) other states;

85.27 (8) the courts;

85.28 (9) the Federal Bureau of Investigation;

85.29 (10) the National Criminal Records Repository; and

85.30 (11) criminal records from other states.

86.1 (b) Except when specifically required by law, the commissioner is not required to conduct
86.2 more than one review of a subject's records from the Federal Bureau of Investigation if a
86.3 review of the subject's criminal history with the Federal Bureau of Investigation has already
86.4 been completed by the commissioner and there has been no break in the subject's affiliation
86.5 with the entity that initiated the background study.

86.6 (c) If the commissioner conducts a national criminal history record check when required
86.7 by law and uses the information from the national criminal history record check to make a
86.8 disqualification determination, the data obtained is private data and cannot be shared with
86.9 ~~county agencies~~, private agencies, or prospective employers of the background study subject.

86.10 (d) If the commissioner conducts a national criminal history record check when required
86.11 by law and uses the information from the national criminal history record check to make a
86.12 disqualification determination, the license holder or entity that submitted the study is not
86.13 required to obtain a copy of the background study subject's disqualification letter under
86.14 section 245C.17, subdivision 3.

86.15 **EFFECTIVE DATE.** This section is effective July 1, 2021.

86.16 Sec. 29. Minnesota Statutes 2020, section 245C.08, is amended by adding a subdivision
86.17 to read:

86.18 **Subd. 5. Authorization.** The commissioner of human services shall be authorized to
86.19 receive information under this chapter.

86.20 Sec. 30. Minnesota Statutes 2020, section 245C.10, is amended by adding a subdivision
86.21 to read:

86.22 **Subd. 1b. Background study fees.** (a) The commissioner shall recover the cost of
86.23 background studies. Except as otherwise provided in subdivisions 1c and 1d, the fees
86.24 collected under this section shall be appropriated to the commissioner for the purpose of
86.25 conducting background studies under this chapter. Fees under this section are charges under
86.26 section 16A.1283, paragraph (b), clause (3).

86.27 (b) Background study fees may include:

86.28 (1) a fee to compensate the commissioner's authorized fingerprint collection vendor or
86.29 vendors for obtaining and processing a background study subject's classifiable fingerprints
86.30 and photograph pursuant to subdivision 1c; and

86.31 (2) a separate fee under subdivision 1c to complete a review of background-study-related
86.32 records as authorized under this chapter.

87.1 (c) Fees charged under paragraph (b) may be paid in whole or part when authorized by
87.2 law by a state agency or board; by state court administration; by a service provider, employer,
87.3 license holder, or other organization that initiates the background study; by the commissioner
87.4 or other organization with duly appropriated funds; by a background study subject; or by
87.5 some combination of these sources.

87.6 Sec. 31. Minnesota Statutes 2020, section 245C.10, is amended by adding a subdivision
87.7 to read:

87.8 Subd. 1c. **Fingerprint and photograph processing fees.** The commissioner shall enter
87.9 into a contract with a qualified vendor or vendors to obtain and process a background study
87.10 subject's classifiable fingerprints and photograph as required by section 245C.05. The
87.11 commissioner may, at their discretion, directly collect fees and reimburse the commissioner's
87.12 authorized fingerprint collection vendor for the vendor's services or require the vendor to
87.13 collect the fees. The authorized vendor is responsible for reimbursing the vendor's
87.14 subcontractors at a rate specified in the contract with the commissioner.

87.15 Sec. 32. Minnesota Statutes 2020, section 245C.10, is amended by adding a subdivision
87.16 to read:

87.17 Subd. 1d. **National criminal history record check fees.** The commissioner may increase
87.18 background study fees as necessary, commensurate with an increase in the national criminal
87.19 history record check fee. The commissioner shall report any fee increase under this
87.20 subdivision to the legislature during the legislative session following the fee increase, so
87.21 that the legislature may consider adoption of the fee increase into statute. By July 1 of every
87.22 year, background study fees shall be set at the amount adopted by the legislature under this
87.23 section.

87.24 **EFFECTIVE DATE.** This section is effective July 1, 2021.

87.25 Sec. 33. Minnesota Statutes 2020, section 245C.10, subdivision 2, is amended to read:

87.26 Subd. 2. **Supplemental nursing services agencies.** The commissioner shall recover the
87.27 cost of the background studies initiated by supplemental nursing services agencies registered
87.28 under section 144A.71, subdivision 1, through a fee of no more than \$20 \$42 per study
87.29 charged to the agency. The fees collected under this subdivision are appropriated to the
87.30 commissioner for the purpose of conducting background studies.

88.1 Sec. 34. Minnesota Statutes 2020, section 245C.10, subdivision 3, is amended to read:

88.2 Subd. 3. **Personal care provider organizations.** The commissioner shall recover the
88.3 cost of background studies initiated by a personal care provider organization under sections
88.4 256B.0651 to 256B.0654 and 256B.0659 through a fee of no more than ~~\$20~~ \$42 per study
88.5 charged to the organization responsible for submitting the background study form. The fees
88.6 collected under this subdivision are appropriated to the commissioner for the purpose of
88.7 conducting background studies.

88.8 Sec. 35. Minnesota Statutes 2020, section 245C.10, subdivision 4, is amended to read:

88.9 Subd. 4. **Temporary personnel agencies, educational programs, and professional**
88.10 **services agencies.** The commissioner shall recover the cost of the background studies
88.11 initiated by temporary personnel agencies, educational programs, and professional services
88.12 agencies that initiate background studies under section 245C.03, subdivision 4, through a
88.13 fee of no more than ~~\$20~~ \$42 per study charged to the agency. The fees collected under this
88.14 subdivision are appropriated to the commissioner for the purpose of conducting background
88.15 studies.

88.16 Sec. 36. Minnesota Statutes 2020, section 245C.10, subdivision 5, is amended to read:

88.17 Subd. 5. **Adult foster care and family adult day services.** The commissioner shall
88.18 recover the cost of background studies required under section 245C.03, subdivision 1, for
88.19 the purposes of adult foster care and family adult day services licensing, through a fee of
88.20 no more than ~~\$20~~ \$42 per study charged to the license holder. The fees collected under this
88.21 subdivision are appropriated to the commissioner for the purpose of conducting background
88.22 studies.

88.23 Sec. 37. Minnesota Statutes 2020, section 245C.10, subdivision 6, is amended to read:

88.24 Subd. 6. **Unlicensed home and community-based waiver providers of service to**
88.25 **seniors and individuals with disabilities.** The commissioner shall recover the cost of
88.26 background studies initiated by unlicensed home and community-based waiver providers
88.27 of service to seniors and individuals with disabilities under section 256B.4912 through a
88.28 fee of no more than ~~\$20~~ \$42 per study.

88.29 Sec. 38. Minnesota Statutes 2020, section 245C.10, subdivision 8, is amended to read:

88.30 Subd. 8. **Children's therapeutic services and supports providers.** The commissioner
88.31 shall recover the cost of background studies required under section 245C.03, subdivision

89.1 7, for the purposes of children's therapeutic services and supports under section 256B.0943,
89.2 through a fee of no more than ~~\$20~~ \$42 per study charged to the license holder. The fees
89.3 collected under this subdivision are appropriated to the commissioner for the purpose of
89.4 conducting background studies.

89.5 Sec. 39. Minnesota Statutes 2020, section 245C.10, subdivision 9, is amended to read:

89.6 Subd. 9. **Human services licensed programs.** The commissioner shall recover the cost
89.7 of background studies required under section 245C.03, subdivision 1, for all programs that
89.8 are licensed by the commissioner, except child foster care when the applicant or license
89.9 holder resides in the home where child foster care services are provided, family child care,
89.10 child care centers, certified license-exempt child care centers, and legal nonlicensed child
89.11 care authorized under chapter 119B, through a fee of no more than ~~\$20~~ \$42 per study charged
89.12 to the license holder. The fees collected under this subdivision are appropriated to the
89.13 commissioner for the purpose of conducting background studies.

89.14 Sec. 40. Minnesota Statutes 2020, section 245C.10, subdivision 9a, is amended to read:

89.15 Subd. 9a. **Child care programs.** The commissioner shall recover the cost of a background
89.16 study required for family child care, certified license-exempt child care centers, licensed
89.17 child care centers, and legal nonlicensed child care providers authorized under chapter 119B
89.18 through a fee of no more than \$40 per study charged to the license holder. A fee of no more
89.19 than ~~\$20~~ \$42 per study shall be charged for studies conducted under section 245C.05,
89.20 subdivision 5a, paragraph (a). The fees collected under this subdivision are appropriated to
89.21 the commissioner to conduct background studies.

89.22 Sec. 41. Minnesota Statutes 2020, section 245C.10, subdivision 10, is amended to read:

89.23 Subd. 10. **Community first services and supports organizations.** The commissioner
89.24 shall recover the cost of background studies initiated by an agency-provider delivering
89.25 services under section 256B.85, subdivision 11, or a financial management services provider
89.26 providing service functions under section 256B.85, subdivision 13, through a fee of no more
89.27 than ~~\$20~~ \$42 per study, charged to the organization responsible for submitting the background
89.28 study form. The fees collected under this subdivision are appropriated to the commissioner
89.29 for the purpose of conducting background studies.

90.1 Sec. 42. Minnesota Statutes 2020, section 245C.10, subdivision 11, is amended to read:

90.2 Subd. 11. **Providers of housing support.** The commissioner shall recover the cost of
90.3 background studies initiated by providers of housing support under section 256I.04 through
90.4 a fee of no more than ~~\$20~~ \$42 per study. The fees collected under this subdivision are
90.5 appropriated to the commissioner for the purpose of conducting background studies.

90.6 Sec. 43. Minnesota Statutes 2020, section 245C.10, subdivision 12, is amended to read:

90.7 Subd. 12. **Child protection workers or social services staff having responsibility for**
90.8 **child protective duties.** The commissioner shall recover the cost of background studies
90.9 initiated by county social services agencies and local welfare agencies for individuals who
90.10 are required to have a background study under section ~~626.559, subdivision 1b~~ 260E.36,
90.11 subdivision 3, through a fee of no more than ~~\$20~~ \$42 per study. The fees collected under
90.12 this subdivision are appropriated to the commissioner for the purpose of conducting
90.13 background studies.

90.14 Sec. 44. Minnesota Statutes 2020, section 245C.10, subdivision 13, is amended to read:

90.15 Subd. 13. **Providers of special transportation service.** The commissioner shall recover
90.16 the cost of background studies initiated by providers of special transportation service under
90.17 section 174.30 through a fee of no more than ~~\$20~~ \$42 per study. The fees collected under
90.18 this subdivision are appropriated to the commissioner for the purpose of conducting
90.19 background studies.

90.20 Sec. 45. Minnesota Statutes 2020, section 245C.10, subdivision 15, is amended to read:

90.21 Subd. 15. **Guardians and conservators.** The commissioner shall recover the cost of
90.22 conducting background studies for guardians and conservators under section 524.5-118
90.23 through a fee of no more than \$110 per study. The fees collected under this subdivision are
90.24 appropriated to the commissioner for the purpose of conducting background studies. The
90.25 fee for conducting an alternative background study for appointment of a professional guardian
90.26 or conservator must be paid by the guardian or conservator. In other cases, the fee must be
90.27 paid as follows:

90.28 (1) if the matter is proceeding in forma pauperis, the fee must be paid as an expense for
90.29 purposes of section 524.5-502, paragraph (a);

90.30 (2) if there is an estate of the ward or protected person, the fee must be paid from the
90.31 estate; or

91.1 (3) in the case of a guardianship or conservatorship of a person that is not proceeding
91.2 in forma pauperis, the fee must be paid by the guardian, conservator, or the court.

91.3 Sec. 46. Minnesota Statutes 2020, section 245C.10, subdivision 16, is amended to read:

91.4 Subd. 16. **Providers of housing support services.** The commissioner shall recover the
91.5 cost of background studies initiated by providers of housing support services under section
91.6 256B.051 through a fee of no more than ~~\$20~~ \$42 per study. The fees collected under this
91.7 subdivision are appropriated to the commissioner for the purpose of conducting background
91.8 studies.

91.9 Sec. 47. Minnesota Statutes 2020, section 245C.10, is amended by adding a subdivision
91.10 to read:

91.11 Subd. 17. **Early intensive developmental and behavioral intervention providers.** The
91.12 commissioner shall recover the cost of background studies required under section 245C.03,
91.13 subdivision 15, for the purposes of early intensive developmental and behavioral intervention
91.14 under section 256B.0949, through a fee of no more than \$42 per study charged to the enrolled
91.15 agency. The fees collected under this subdivision are appropriated to the commissioner for
91.16 the purpose of conducting background studies.

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

91.18 Sec. 48. Minnesota Statutes 2020, section 245C.10, is amended by adding a subdivision
91.19 to read:

91.20 Subd. 18. **Applicants, licensees, and other occupations regulated by commissioner**
91.21 **of health.** The applicant or license holder is responsible for paying to the Department of
91.22 Human Services all fees associated with the preparation of the fingerprints, the criminal
91.23 records check consent form, and the criminal background check.

91.24 Sec. 49. Minnesota Statutes 2020, section 245C.10, is amended by adding a subdivision
91.25 to read:

91.26 Subd. 19. **Occupations regulated by MNsure.** The commissioner shall set fees to
91.27 recover the cost of background studies and criminal background checks initiated by MNsure
91.28 under sections 62V.05 and 245C.031. The fee amount shall be established through
91.29 interagency agreement between the commissioner and the board of MNsure or its designee.
91.30 The fees collected under this subdivision shall be deposited in the special revenue fund and

92.1 are appropriated to the commissioner for the purpose of conducting background studies and
92.2 criminal background checks.

92.3 Sec. 50. Minnesota Statutes 2020, section 245C.10, is amended by adding a subdivision
92.4 to read:

92.5 Subd. 20. **Professional Educators Licensing Standards Board.** The commissioner
92.6 shall recover the cost of background studies initiated by the Professional Educators Licensing
92.7 Standards Board through a fee of no more than \$51 per study. Fees collected under this
92.8 subdivision are appropriated to the commissioner for purposes of conducting background
92.9 studies.

92.10 Sec. 51. Minnesota Statutes 2020, section 245C.10, is amended by adding a subdivision
92.11 to read:

92.12 Subd. 21. **Board of School Administrators.** The commissioner shall recover the cost
92.13 of background studies initiated by the Board of School Administrators through a fee of no
92.14 more than \$51 per study. Fees collected under this subdivision are appropriated to the
92.15 commissioner for purposes of conducting background studies.

92.16 Sec. 52. Minnesota Statutes 2020, section 245C.13, subdivision 2, is amended to read:

92.17 Subd. 2. **Activities pending completion of background study.** The subject of a
92.18 background study may not perform any activity requiring a background study under
92.19 paragraph (c) until the commissioner has issued one of the notices under paragraph (a).

92.20 (a) Notices from the commissioner required prior to activity under paragraph (c) include:

92.21 (1) a notice of the study results under section 245C.17 stating that:

92.22 (i) the individual is not disqualified; or

92.23 (ii) more time is needed to complete the study but the individual is not required to be
92.24 removed from direct contact or access to people receiving services prior to completion of
92.25 the study as provided under section 245C.17, subdivision 1, paragraph (b) or (c). The notice
92.26 that more time is needed to complete the study must also indicate whether the individual is
92.27 required to be under continuous direct supervision prior to completion of the background
92.28 study. When more time is necessary to complete a background study of an individual
92.29 affiliated with a Title IV-E eligible children's residential facility or foster residence setting,
92.30 the individual may not work in the facility or setting regardless of whether or not the
92.31 individual is supervised;

93.1 (2) a notice that a disqualification has been set aside under section 245C.23; or

93.2 (3) a notice that a variance has been granted related to the individual under section
93.3 245C.30.

93.4 (b) For a background study affiliated with a licensed child care center or certified
93.5 license-exempt child care center, the notice sent under paragraph (a), clause (1), item (ii),
93.6 must require the individual to be under continuous direct supervision prior to completion
93.7 of the background study except as permitted in subdivision 3.

93.8 (c) Activities prohibited prior to receipt of notice under paragraph (a) include:

93.9 (1) being issued a license;

93.10 (2) living in the household where the licensed program will be provided;

93.11 (3) providing direct contact services to persons served by a program unless the subject
93.12 is under continuous direct supervision;

93.13 (4) having access to persons receiving services if the background study was completed
93.14 under section 144.057, subdivision 1, or 245C.03, subdivision 1, paragraph (a), clause (2),
93.15 (5), or (6), unless the subject is under continuous direct supervision;

93.16 (5) for licensed child care centers and certified license-exempt child care centers,
93.17 providing direct contact services to persons served by the program; ~~or~~

93.18 (6) for children's residential facilities or foster residence settings, working in the facility
93.19 or setting; or

93.20 (7) for background studies affiliated with a personal care provider organization, except
93.21 as provided in section 245C.03, subdivision 3b, before a personal care assistant provides
93.22 services, the personal care assistance provider agency must initiate a background study of
93.23 the personal care assistant under this chapter and the personal care assistance provider
93.24 agency must have received a notice from the commissioner that the personal care assistant
93.25 is:

93.26 (i) not disqualified under section 245C.14; or

93.27 (ii) disqualified, but the personal care assistant has received a set aside of the
93.28 disqualification under section 245C.22.

93.29 Sec. 53. Minnesota Statutes 2020, section 245C.14, subdivision 1, is amended to read:

93.30 Subdivision 1. **Disqualification from direct contact.** (a) The commissioner shall
93.31 disqualify an individual who is the subject of a background study from any position allowing

94.1 direct contact with persons receiving services from the license holder or entity identified in
94.2 section 245C.03, upon receipt of information showing, or when a background study
94.3 completed under this chapter shows any of the following:

94.4 (1) a conviction of, admission to, or Alford plea to one or more crimes listed in section
94.5 245C.15, regardless of whether the conviction or admission is a felony, gross misdemeanor,
94.6 or misdemeanor level crime;

94.7 (2) a preponderance of the evidence indicates the individual has committed an act or
94.8 acts that meet the definition of any of the crimes listed in section 245C.15, regardless of
94.9 whether the preponderance of the evidence is for a felony, gross misdemeanor, or
94.10 misdemeanor level crime; or

94.11 (3) an investigation results in an administrative determination listed under section
94.12 245C.15, subdivision 4, paragraph (b).

94.13 (b) No individual who is disqualified following a background study under section
94.14 245C.03, subdivisions 1 and 2, may be retained in a position involving direct contact with
94.15 persons served by a program or entity identified in section 245C.03, unless the commissioner
94.16 has provided written notice under section 245C.17 stating that:

94.17 (1) the individual may remain in direct contact during the period in which the individual
94.18 may request reconsideration as provided in section 245C.21, subdivision 2;

94.19 (2) the commissioner has set aside the individual's disqualification for that program or
94.20 entity identified in section 245C.03, as provided in section 245C.22, subdivision 4; or

94.21 (3) the license holder has been granted a variance for the disqualified individual under
94.22 section 245C.30.

94.23 (c) Notwithstanding paragraph (a), for the purposes of a background study affiliated
94.24 with a licensed family foster setting, the commissioner shall disqualify an individual who
94.25 is the subject of a background study from any position allowing direct contact with persons
94.26 receiving services from the license holder or entity identified in section 245C.03, upon
94.27 receipt of information showing or when a background study completed under this chapter
94.28 shows reason for disqualification under section 245C.15, subdivision 4a.

94.29 **EFFECTIVE DATE.** This section is effective July 1, 2022.

95.1 Sec. 54. Minnesota Statutes 2020, section 245C.14, is amended by adding a subdivision
95.2 to read:

95.3 Subd. 4. **Disqualification from working in licensed child care centers or certified**
95.4 **license-exempt child care centers.** (a) For a background study affiliated with a licensed
95.5 child care center or certified license-exempt child care center, if an individual is disqualified
95.6 from direct contact under subdivision 1, the commissioner must also disqualify the individual
95.7 from working in any position regardless of whether the individual would have direct contact
95.8 with or access to children served in the licensed child care center or certified license-exempt
95.9 child care center and from having access to a person receiving services from the center.

95.10 (b) Notwithstanding any other requirement of this chapter, for a background study
95.11 affiliated with a licensed child care center or a certified license-exempt child care center, if
95.12 an individual is disqualified, the individual may not work in the child care center until the
95.13 commissioner has issued a notice stating that:

95.14 (1) the individual is not disqualified;

95.15 (2) a disqualification has been set aside under section 245C.23; or

95.16 (3) a variance has been granted related to the individual under section 245C.30.

95.17 Sec. 55. Minnesota Statutes 2020, section 245C.15, is amended by adding a subdivision
95.18 to read:

95.19 Subd. 4a. **Licensed family foster setting disqualifications.** (a) Notwithstanding
95.20 subdivisions 1 to 4, for a background study affiliated with a licensed family foster setting,
95.21 regardless of how much time has passed, an individual is disqualified under section 245C.14
95.22 if the individual committed an act that resulted in a felony-level conviction for sections:
95.23 609.185 (murder in the first degree); 609.19 (murder in the second degree); 609.195 (murder
95.24 in the third degree); 609.20 (manslaughter in the first degree); 609.205 (manslaughter in
95.25 the second degree); 609.2112 (criminal vehicular homicide); 609.221 (assault in the first
95.26 degree); 609.223, subdivision 2 (assault in the third degree, past pattern of child abuse);
95.27 609.223, subdivision 3 (assault in the third degree, victim under four); a felony offense
95.28 under sections 609.2242 and 609.2243 (domestic assault, spousal abuse, child abuse or
95.29 neglect, or a crime against children); 609.2247 (domestic assault by strangulation); 609.2325
95.30 (criminal abuse of a vulnerable adult resulting in the death of a vulnerable adult); 609.245
95.31 (aggravated robbery); 609.25 (kidnapping); 609.255 (false imprisonment); 609.2661 (murder
95.32 of an unborn child in the first degree); 609.2662 (murder of an unborn child in the second
95.33 degree); 609.2663 (murder of an unborn child in the third degree); 609.2664 (manslaughter

96.1 of an unborn child in the first degree); 609.2665 (manslaughter of an unborn child in the
96.2 second degree); 609.267 (assault of an unborn child in the first degree); 609.2671 (assault
96.3 of an unborn child in the second degree); 609.268 (injury or death of an unborn child in the
96.4 commission of a crime); 609.322, subdivision 1 (solicitation, inducement, and promotion
96.5 of prostitution; sex trafficking in the first degree); 609.324, subdivision 1 (other prohibited
96.6 acts; engaging in, hiring, or agreeing to hire minor to engage in prostitution); 609.342
96.7 (criminal sexual conduct in the first degree); 609.343 (criminal sexual conduct in the second
96.8 degree); 609.344 (criminal sexual conduct in the third degree); 609.345 (criminal sexual
96.9 conduct in the fourth degree); 609.3451 (criminal sexual conduct in the fifth degree);
96.10 609.3453 (criminal sexual predatory conduct); 609.352 (solicitation of children to engage
96.11 in sexual conduct); 609.377 (malicious punishment of a child); 609.378 (neglect or
96.12 endangerment of a child); 609.561 (arson in the first degree); 609.582, subdivision 1 (burglary
96.13 in the first degree); 609.746 (interference with privacy); 617.23 (indecent exposure); 617.246
96.14 (use of minors in sexual performance prohibited); or 617.247 (possession of pictorial
96.15 representations of minors).

96.16 (b) Notwithstanding subdivisions 1 to 4, for the purposes of a background study affiliated
96.17 with a licensed family foster setting, an individual is disqualified under section 245C.14,
96.18 regardless of how much time has passed, if the individual:

96.19 (1) committed an action under paragraph (e) that resulted in death or involved sexual
96.20 abuse, as defined in section 260E.03, subdivision 20;

96.21 (2) committed an act that resulted in a gross misdemeanor-level conviction for section
96.22 609.3451 (criminal sexual conduct in the fifth degree);

96.23 (3) committed an act against or involving a minor that resulted in a felony-level conviction
96.24 for: section 609.222 (assault in the second degree); 609.223, subdivision 1 (assault in the
96.25 third degree); 609.2231 (assault in the fourth degree); or 609.224 (assault in the fifth degree);
96.26 or

96.27 (4) committed an act that resulted in a misdemeanor or gross misdemeanor-level
96.28 conviction for section 617.293 (dissemination and display of harmful materials to minors).

96.29 (c) Notwithstanding subdivisions 1 to 4, for a background study affiliated with a licensed
96.30 family foster setting, an individual is disqualified under section 245C.14 if fewer than 20
96.31 years have passed since the termination of the individual's parental rights under section
96.32 260C.301, subdivision 1, paragraph (b), or if the individual consented to a termination of
96.33 parental rights under section 260C.301, subdivision 1, paragraph (a), to settle a petition to
96.34 involuntarily terminate parental rights. An individual is disqualified under section 245C.14

97.1 if fewer than 20 years have passed since the termination of the individual's parental rights
97.2 in any other state or country, where the conditions for the individual's termination of parental
97.3 rights are substantially similar to the conditions in section 260C.301, subdivision 1, paragraph
97.4 (b).

97.5 (d) Notwithstanding subdivisions 1 to 4, for a background study affiliated with a licensed
97.6 family foster setting, an individual is disqualified under section 245C.14 if fewer than five
97.7 years have passed since a felony-level violation for sections: 152.021 (controlled substance
97.8 crime in the first degree); 152.022 (controlled substance crime in the second degree); 152.023
97.9 (controlled substance crime in the third degree); 152.024 (controlled substance crime in the
97.10 fourth degree); 152.025 (controlled substance crime in the fifth degree); 152.0261 (importing
97.11 controlled substances across state borders); 152.0262, subdivision 1, paragraph (b)
97.12 (possession of substance with intent to manufacture methamphetamine); 152.027, subdivision
97.13 6, paragraph (c) (sale or possession of synthetic cannabinoids); 152.096 (conspiracies
97.14 prohibited); 152.097 (simulated controlled substances); 152.136 (anhydrous ammonia;
97.15 prohibited conduct; criminal penalties; civil liabilities); 152.137 (methamphetamine-related
97.16 crimes involving children or vulnerable adults); 169A.24 (felony first-degree driving while
97.17 impaired); 243.166 (violation of predatory offender registration requirements); 609.2113
97.18 (criminal vehicular operation; bodily harm); 609.2114 (criminal vehicular operation; unborn
97.19 child); 609.228 (great bodily harm caused by distribution of drugs); 609.2325 (criminal
97.20 abuse of a vulnerable adult not resulting in the death of a vulnerable adult); 609.233 (criminal
97.21 neglect); 609.235 (use of drugs to injure or facilitate a crime); 609.24 (simple robbery);
97.22 609.322, subdivision 1a (solicitation, inducement, and promotion of prostitution; sex
97.23 trafficking in the second degree); 609.498, subdivision 1 (tampering with a witness in the
97.24 first degree); 609.498, subdivision 1b (aggravated first-degree witness tampering); 609.562
97.25 (arson in the second degree); 609.563 (arson in the third degree); 609.582, subdivision 2
97.26 (burglary in the second degree); 609.66 (felony dangerous weapons); 609.687 (adulteration);
97.27 609.713 (terroristic threats); 609.749, subdivision 3, 4, or 5 (felony-level harassment or
97.28 stalking); 609.855, subdivision 5 (shooting at or in a public transit vehicle or facility); or
97.29 624.713 (certain people not to possess firearms).

97.30 (e) Notwithstanding subdivisions 1 to 4, except as provided in paragraph (a), for a
97.31 background study affiliated with a licensed family child foster care license, an individual
97.32 is disqualified under section 245C.14 if fewer than five years have passed since:

97.33 (1) a felony-level violation for an act not against or involving a minor that constitutes:
97.34 section 609.222 (assault in the second degree); 609.223, subdivision 1 (assault in the third

98.1 degree); 609.2231 (assault in the fourth degree); or 609.224, subdivision 4 (assault in the
98.2 fifth degree);

98.3 (2) a violation of an order for protection under section 518B.01, subdivision 14;

98.4 (3) a determination or disposition of the individual's failure to make required reports
98.5 under section 260E.06 or 626.557, subdivision 3, for incidents in which the final disposition
98.6 under chapter 260E or section 626.557 was substantiated maltreatment and the maltreatment
98.7 was recurring or serious;

98.8 (4) a determination or disposition of the individual's substantiated serious or recurring
98.9 maltreatment of a minor under chapter 260E, a vulnerable adult under section 626.557, or
98.10 serious or recurring maltreatment in any other state, the elements of which are substantially
98.11 similar to the elements of maltreatment under chapter 260E or section 626.557 and meet
98.12 the definition of serious maltreatment or recurring maltreatment;

98.13 (5) a gross misdemeanor-level violation for sections: 609.224, subdivision 2 (assault in
98.14 the fifth degree); 609.2242 and 609.2243 (domestic assault); 609.233 (criminal neglect);
98.15 609.377 (malicious punishment of a child); 609.378 (neglect or endangerment of a child);
98.16 609.746 (interference with privacy); 609.749 (stalking); or 617.23 (indecent exposure); or

98.17 (6) committing an act against or involving a minor that resulted in a misdemeanor-level
98.18 violation of section 609.224, subdivision 1 (assault in the fifth degree).

98.19 (f) For purposes of this subdivision, the disqualification begins from:

98.20 (1) the date of the alleged violation, if the individual was not convicted;

98.21 (2) the date of conviction, if the individual was convicted of the violation but not
98.22 committed to the custody of the commissioner of corrections; or

98.23 (3) the date of release from prison, if the individual was convicted of the violation and
98.24 committed to the custody of the commissioner of corrections.

98.25 Notwithstanding clause (3), if the individual is subsequently reincarcerated for a violation
98.26 of the individual's supervised release, the disqualification begins from the date of release
98.27 from the subsequent incarceration.

98.28 (g) An individual's aiding and abetting, attempt, or conspiracy to commit any of the
98.29 offenses listed in paragraphs (a) and (b), as each of these offenses is defined in Minnesota
98.30 Statutes, permanently disqualifies the individual under section 245C.14. An individual is
98.31 disqualified under section 245C.14 if fewer than five years have passed since the individual's

99.1 aiding and abetting, attempt, or conspiracy to commit any of the offenses listed in paragraphs
99.2 (d) and (e).

99.3 (h) An individual's offense in any other state or country, where the elements of the
99.4 offense are substantially similar to any of the offenses listed in paragraphs (a) and (b),
99.5 permanently disqualifies the individual under section 245C.14. An individual is disqualified
99.6 under section 245C.14 if fewer than five years have passed since an offense in any other
99.7 state or country, the elements of which are substantially similar to the elements of any
99.8 offense listed in paragraphs (d) and (e).

99.9 **EFFECTIVE DATE.** This section is effective July 1, 2022.

99.10 Sec. 56. Minnesota Statutes 2020, section 245C.16, subdivision 1, is amended to read:

99.11 Subdivision 1. **Determining immediate risk of harm.** (a) If the commissioner determines
99.12 that the individual studied has a disqualifying characteristic, the commissioner shall review
99.13 the information immediately available and make a determination as to the subject's immediate
99.14 risk of harm to persons served by the program where the individual studied will have direct
99.15 contact with, or access to, people receiving services.

99.16 (b) The commissioner shall consider all relevant information available, including the
99.17 following factors in determining the immediate risk of harm:

99.18 (1) the recency of the disqualifying characteristic;

99.19 (2) the recency of discharge from probation for the crimes;

99.20 (3) the number of disqualifying characteristics;

99.21 (4) the intrusiveness or violence of the disqualifying characteristic;

99.22 (5) the vulnerability of the victim involved in the disqualifying characteristic;

99.23 (6) the similarity of the victim to the persons served by the program where the individual
99.24 studied will have direct contact;

99.25 (7) whether the individual has a disqualification from a previous background study that
99.26 has not been set aside; ~~and~~

99.27 (8) if the individual has a disqualification which may not be set aside because it is a
99.28 permanent bar under section 245C.24, subdivision 1, or the individual is a child care
99.29 background study subject who has a felony-level conviction for a drug-related offense in
99.30 the last five years, the commissioner may order the immediate removal of the individual
99.31 from any position allowing direct contact with, or access to, persons receiving services from

100.1 the program and from working in a children's residential facility or foster residence setting;
100.2 and

100.3 (9) if the individual has a disqualification which may not be set aside because it is a
100.4 permanent bar under section 245C.24, subdivision 2, or the individual is a child care
100.5 background study subject who has a felony-level conviction for a drug-related offense during
100.6 the last five years, the commissioner may order the immediate removal of the individual
100.7 from any position allowing direct contact with or access to persons receiving services from
100.8 the center and from working in a licensed child care center or certified license-exempt child
100.9 care center.

100.10 (c) This section does not apply when the subject of a background study is regulated by
100.11 a health-related licensing board as defined in chapter 214, and the subject is determined to
100.12 be responsible for substantiated maltreatment under section 626.557 or chapter 260E.

100.13 (d) This section does not apply to a background study related to an initial application
100.14 for a child foster family setting license.

100.15 (e) Except for paragraph (f), this section does not apply to a background study that is
100.16 also subject to the requirements under section 256B.0659, subdivisions 11 and 13, for a
100.17 personal care assistant or a qualified professional as defined in section 256B.0659,
100.18 subdivision 1.

100.19 (f) If the commissioner has reason to believe, based on arrest information or an active
100.20 maltreatment investigation, that an individual poses an imminent risk of harm to persons
100.21 receiving services, the commissioner may order that the person be continuously supervised
100.22 or immediately removed pending the conclusion of the maltreatment investigation or criminal
100.23 proceedings.

100.24 Sec. 57. Minnesota Statutes 2020, section 245C.16, subdivision 2, is amended to read:

100.25 Subd. 2. **Findings.** (a) After evaluating the information immediately available under
100.26 subdivision 1, the commissioner may have reason to believe one of the following:

100.27 (1) the individual poses an imminent risk of harm to persons served by the program
100.28 where the individual studied will have direct contact or access to persons served by the
100.29 program or where the individual studied will work;

100.30 (2) the individual poses a risk of harm requiring continuous, direct supervision while
100.31 providing direct contact services during the period in which the subject may request a
100.32 reconsideration; or

101.1 (3) the individual does not pose an imminent risk of harm or a risk of harm requiring
101.2 continuous, direct supervision while providing direct contact services during the period in
101.3 which the subject may request a reconsideration.

101.4 (b) After determining an individual's risk of harm under this section, the commissioner
101.5 must notify the subject of the background study and the applicant or license holder as
101.6 required under section 245C.17.

101.7 (c) For Title IV-E eligible children's residential facilities and foster residence settings,
101.8 the commissioner is prohibited from making the findings in paragraph (a), clause (2) or (3).

101.9 (d) For licensed child care centers or certified license-exempt child care centers, the
101.10 commissioner is prohibited from making the findings in paragraph (a), clause (2) or (3).

101.11 Sec. 58. Minnesota Statutes 2020, section 245C.17, subdivision 1, is amended to read:

101.12 Subdivision 1. **Time frame for notice of study results and auditing system access.** (a)
101.13 Within three working days after the commissioner's receipt of a request for a background
101.14 study submitted through the commissioner's NETStudy or NETStudy 2.0 system, the
101.15 commissioner shall notify the background study subject and the license holder or other
101.16 entity as provided in this chapter in writing or by electronic transmission of the results of
101.17 the study or that more time is needed to complete the study. The notice to the individual
101.18 shall include the identity of the entity that initiated the background study.

101.19 (b) Before being provided access to NETStudy 2.0, the license holder or other entity
101.20 under section 245C.04 shall sign an acknowledgment of responsibilities form developed
101.21 by the commissioner that includes identifying the sensitive background study information
101.22 person, who must be an employee of the license holder or entity. All queries to NETStudy
101.23 2.0 are electronically recorded and subject to audit by the commissioner. The electronic
101.24 record shall identify the specific user. A background study subject may request in writing
101.25 to the commissioner a report listing the entities that initiated a background study on the
101.26 individual.

101.27 (c) When the commissioner has completed a prior background study on an individual
101.28 that resulted in an order for immediate removal and more time is necessary to complete a
101.29 subsequent study, the notice that more time is needed that is issued under paragraph (a)
101.30 shall include an order for immediate removal of the individual from any position allowing
101.31 direct contact with or access to people receiving services and from working in a children's
101.32 residential facility or, foster residence setting, child care center, or certified license-exempt
101.33 child care center pending completion of the background study.

102.1 Sec. 59. Minnesota Statutes 2020, section 245C.17, is amended by adding a subdivision
102.2 to read:

102.3 **Subd. 8. Disqualification notice to child care centers and certified license-exempt**
102.4 **child care centers.** (a) For child care centers and certified license-exempt child care centers,
102.5 all notices under this section that order the license holder to immediately remove the
102.6 individual studied from any position allowing direct contact with, or access to a person
102.7 served by the center, must also order the license holder to immediately remove the individual
102.8 studied from working in any position regardless of whether the individual would have direct
102.9 contact with or access to children served in the center.

102.10 (b) For child care centers and certified license-exempt child care centers, notices under
102.11 this section must not allow an individual to work in the center.

102.12 Sec. 60. Minnesota Statutes 2020, section 245C.18, is amended to read:

102.13 **245C.18 OBLIGATION TO REMOVE DISQUALIFIED INDIVIDUAL FROM**
102.14 **DIRECT CONTACT AND FROM WORKING IN A PROGRAM, FACILITY, OR**
102.15 **SETTING, OR CENTER.**

102.16 (a) Upon receipt of notice from the commissioner, the license holder must remove a
102.17 disqualified individual from direct contact with persons served by the licensed program if:

102.18 (1) the individual does not request reconsideration under section 245C.21 within the
102.19 prescribed time;

102.20 (2) the individual submits a timely request for reconsideration, the commissioner does
102.21 not set aside the disqualification under section 245C.22, subdivision 4, and the individual
102.22 does not submit a timely request for a hearing under sections 245C.27 and 256.045, or
102.23 245C.28 and chapter 14; or

102.24 (3) the individual submits a timely request for a hearing under sections 245C.27 and
102.25 256.045, or 245C.28 and chapter 14, and the commissioner does not set aside or rescind the
102.26 disqualification under section 245A.08, subdivision 5, or 256.045.

102.27 (b) For children's residential facility and foster residence setting license holders, upon
102.28 receipt of notice from the commissioner under paragraph (a), the license holder must also
102.29 remove the disqualified individual from working in the program, facility, or setting and
102.30 from access to persons served by the licensed program.

102.31 (c) For Title IV-E eligible children's residential facility and foster residence setting
102.32 license holders, upon receipt of notice from the commissioner under paragraph (a), the

103.1 license holder must also remove the disqualified individual from working in the program
103.2 and from access to persons served by the program and must not allow the individual to work
103.3 in the facility or setting until the commissioner has issued a notice stating that:

103.4 (1) the individual is not disqualified;

103.5 (2) a disqualification has been set aside under section 245C.23; or

103.6 (3) a variance has been granted related to the individual under section 245C.30.

103.7 (d) For licensed child care center and certified license-exempt child care center license
103.8 holders, upon receipt of notice from the commissioner under paragraph (a), the license
103.9 holder must remove the disqualified individual from working in any position regardless of
103.10 whether the individual would have direct contact with or access to children served in the
103.11 center and from having access to persons served by the center and must not allow the
103.12 individual to work in the center until the commissioner has issued a notice stating that:

103.13 (1) the individual is not disqualified;

103.14 (2) a disqualification has been set aside under section 245C.23; or

103.15 (3) a variance has been granted related to the individual under section 245C.30.

103.16 Sec. 61. Minnesota Statutes 2020, section 245C.24, subdivision 2, is amended to read:

103.17 Subd. 2. **Permanent bar to set aside a disqualification.** (a) Except as provided in
103.18 paragraphs (b) to ~~(e)~~ (f), the commissioner may not set aside the disqualification of any
103.19 individual disqualified pursuant to this chapter, regardless of how much time has passed,
103.20 if the individual was disqualified for a crime or conduct listed in section 245C.15, subdivision
103.21 1.

103.22 (b) For an individual in the chemical dependency or corrections field who was disqualified
103.23 for a crime or conduct listed under section 245C.15, subdivision 1, and whose disqualification
103.24 was set aside prior to July 1, 2005, the commissioner must consider granting a variance
103.25 pursuant to section 245C.30 for the license holder for a program dealing primarily with
103.26 adults. A request for reconsideration evaluated under this paragraph must include a letter
103.27 of recommendation from the license holder that was subject to the prior set-aside decision
103.28 addressing the individual's quality of care to children or vulnerable adults and the
103.29 circumstances of the individual's departure from that service.

103.30 (c) If an individual who requires a background study for nonemergency medical
103.31 transportation services under section 245C.03, subdivision 12, was disqualified for a crime
103.32 or conduct listed under section 245C.15, subdivision 1, and if more than 40 years have

104.1 passed since the discharge of the sentence imposed, the commissioner may consider granting
104.2 a set-aside pursuant to section 245C.22. A request for reconsideration evaluated under this
104.3 paragraph must include a letter of recommendation from the employer. This paragraph does
104.4 not apply to a person disqualified based on a violation of sections 243.166; 609.185 to
104.5 609.205; 609.25; 609.342 to 609.3453; 609.352; 617.23, subdivision 2, clause (1), or 3,
104.6 clause (1); 617.246; or 617.247.

104.7 (d) When a licensed foster care provider adopts an individual who had received foster
104.8 care services from the provider for over six months, and the adopted individual is required
104.9 to receive a background study under section 245C.03, subdivision 1, paragraph (a), clause
104.10 (2) or (6), the commissioner may grant a variance to the license holder under section 245C.30
104.11 to permit the adopted individual with a permanent disqualification to remain affiliated with
104.12 the license holder under the conditions of the variance when the variance is recommended
104.13 by the county of responsibility for each of the remaining individuals in placement in the
104.14 home and the licensing agency for the home.

104.15 (e) For an individual 18 years of age or older affiliated with a licensed family foster
104.16 setting, the commissioner must not set aside or grant a variance for the disqualification of
104.17 any individual disqualified pursuant to this chapter, regardless of how much time has passed,
104.18 if the individual was disqualified for a crime or conduct listed in section 245C.15, subdivision
104.19 4a, paragraphs (a) and (b).

104.20 (f) In connection with a family foster setting license, the commissioner may grant a
104.21 variance to the disqualification for an individual who is under 18 years of age at the time
104.22 the background study is submitted.

104.23 **EFFECTIVE DATE.** This section is effective July 1, 2022.

104.24 Sec. 62. Minnesota Statutes 2020, section 245C.24, subdivision 3, is amended to read:

104.25 Subd. 3. **Ten-year bar to set aside disqualification.** (a) The commissioner may not set
104.26 aside the disqualification of an individual in connection with a license to provide family
104.27 child care for children, ~~foster care for children in the provider's home~~, or foster care or day
104.28 care services for adults in the provider's home if: (1) less than ten years has passed since
104.29 the discharge of the sentence imposed, if any, for the offense; or (2) when disqualified based
104.30 on a preponderance of evidence determination under section 245C.14, subdivision 1,
104.31 paragraph (a), clause (2), or an admission under section 245C.14, subdivision 1, paragraph
104.32 (a), clause (1), and less than ten years has passed since the individual committed the act or
104.33 admitted to committing the act, whichever is later; and (3) the individual has committed a
104.34 violation of any of the following offenses: sections 609.165 (felon ineligible to possess

105.1 firearm); criminal vehicular homicide or criminal vehicular operation causing death under
105.2 609.2112, 609.2113, or 609.2114 (criminal vehicular homicide or injury); 609.215 (aiding
105.3 suicide or aiding attempted suicide); felony violations under 609.223 or 609.2231 (assault
105.4 in the third or fourth degree); 609.229 (crimes committed for benefit of a gang); 609.713
105.5 (terroristic threats); 609.235 (use of drugs to injure or to facilitate crime); 609.24 (simple
105.6 robbery); 609.255 (false imprisonment); 609.562 (arson in the second degree); 609.71 (riot);
105.7 609.498, subdivision 1 or 1b (aggravated first-degree or first-degree tampering with a
105.8 witness); burglary in the first or second degree under 609.582 (burglary); 609.66 (dangerous
105.9 weapon); 609.665 (spring guns); 609.67 (machine guns and short-barreled shotguns);
105.10 609.749, subdivision 2 (gross misdemeanor harassment); 152.021 or 152.022 (controlled
105.11 substance crime in the first or second degree); 152.023, subdivision 1, clause (3) or (4) or
105.12 subdivision 2, clause (4) (controlled substance crime in the third degree); 152.024,
105.13 subdivision 1, clause (2), (3), or (4) (controlled substance crime in the fourth degree);
105.14 609.224, subdivision 2, paragraph (c) (fifth-degree assault by a caregiver against a vulnerable
105.15 adult); 609.23 (mistreatment of persons confined); 609.231 (mistreatment of residents or
105.16 patients); 609.2325 (criminal abuse of a vulnerable adult); 609.233 (criminal neglect of a
105.17 vulnerable adult); 609.2335 (financial exploitation of a vulnerable adult); 609.234 (failure
105.18 to report); 609.265 (abduction); 609.2664 to 609.2665 (manslaughter of an unborn child in
105.19 the first or second degree); 609.267 to 609.2672 (assault of an unborn child in the first,
105.20 second, or third degree); 609.268 (injury or death of an unborn child in the commission of
105.21 a crime); repeat offenses under 617.23 (indecent exposure); 617.293 (disseminating or
105.22 displaying harmful material to minors); a felony-level conviction involving alcohol or drug
105.23 use, a gross misdemeanor offense under 609.324, subdivision 1 (other prohibited acts); a
105.24 gross misdemeanor offense under 609.378 (neglect or endangerment of a child); a gross
105.25 misdemeanor offense under 609.377 (malicious punishment of a child); 609.72, subdivision
105.26 3 (disorderly conduct against a vulnerable adult); or 624.713 (certain persons not to possess
105.27 firearms); or Minnesota Statutes 2012, section 609.21.

105.28 (b) The commissioner may not set aside the disqualification of an individual if less than
105.29 ten years have passed since the individual's aiding and abetting, attempt, or conspiracy to
105.30 commit any of the offenses listed in paragraph (a) as each of these offenses is defined in
105.31 Minnesota Statutes.

105.32 (c) The commissioner may not set aside the disqualification of an individual if less than
105.33 ten years have passed since the discharge of the sentence imposed for an offense in any
105.34 other state or country, the elements of which are substantially similar to the elements of any
105.35 of the offenses listed in paragraph (a).

106.1 **EFFECTIVE DATE.** This section is effective July 1, 2022.

106.2 Sec. 63. Minnesota Statutes 2020, section 245C.24, subdivision 4, is amended to read:

106.3 Subd. 4. **Seven-year bar to set aside disqualification.** The commissioner may not set
106.4 aside the disqualification of an individual in connection with a license to provide family
106.5 child care for children, ~~foster care for children in the provider's home,~~ or foster care or day
106.6 care services for adults in the provider's home if within seven years preceding the study:

106.7 (1) the individual committed an act that constitutes maltreatment of a child under sections
106.8 260E.24, subdivisions 1, 2, and 3, and 260E.30, subdivisions 1, 2, and 4, and the maltreatment
106.9 resulted in substantial bodily harm as defined in section 609.02, subdivision 7a, or substantial
106.10 mental or emotional harm as supported by competent psychological or psychiatric evidence;
106.11 or

106.12 (2) the individual was determined under section 626.557 to be the perpetrator of a
106.13 substantiated incident of maltreatment of a vulnerable adult that resulted in substantial
106.14 bodily harm as defined in section 609.02, subdivision 7a, or substantial mental or emotional
106.15 harm as supported by competent psychological or psychiatric evidence.

106.16 **EFFECTIVE DATE.** This section is effective July 1, 2022.

106.17 Sec. 64. Minnesota Statutes 2020, section 245C.24, is amended by adding a subdivision
106.18 to read:

106.19 Subd. 6. **Five-year bar to set aside disqualification; family foster setting.** (a) The
106.20 commissioner shall not set aside or grant a variance for the disqualification of an individual
106.21 18 years of age or older in connection with a foster family setting license if within five years
106.22 preceding the study the individual is convicted of a felony in section 245C.15, subdivision
106.23 4a, paragraph (d).

106.24 (b) In connection with a foster family setting license, the commissioner may set aside
106.25 or grant a variance to the disqualification for an individual who is under 18 years of age at
106.26 the time the background study is submitted.

106.27 **EFFECTIVE DATE.** This section is effective July 1, 2022.

106.28 Sec. 65. Minnesota Statutes 2020, section 245C.30, is amended by adding a subdivision
106.29 to read:

106.30 Subd. 1a. **Public law background study variances.** For a variance related to a public
106.31 law background study conducted under section 245C.032, the variance shall state the services

107.1 that may be provided by the disqualified individual and state the conditions with which the
107.2 license holder or applicant must comply for the variance to remain in effect. The variance
107.3 shall not state the reason for the disqualification.

107.4 Sec. 66. Minnesota Statutes 2020, section 245C.32, subdivision 1a, is amended to read:

107.5 Subd. 1a. **NETStudy 2.0 system.** (a) The commissioner shall design, develop, and test
107.6 the NETStudy 2.0 system and implement it no later than September 1, 2015.

107.7 (b) The NETStudy 2.0 system developed and implemented by the commissioner shall
107.8 incorporate and meet all applicable data security standards and policies required by the
107.9 Federal Bureau of Investigation (FBI), Department of Public Safety, Bureau of Criminal
107.10 Apprehension, and the Office of MN.IT Services. The system shall meet all required
107.11 standards for encryption of data at the database level as well as encryption of data that
107.12 travels electronically among agencies initiating background studies, the commissioner's
107.13 authorized fingerprint collection vendor or vendors, the commissioner, the Bureau of Criminal
107.14 Apprehension, and in cases involving national criminal record checks, the FBI.

107.15 (c) The data system developed and implemented by the commissioner shall incorporate
107.16 a system of data security that allows the commissioner to control access to the data field
107.17 level by the commissioner's employees. The commissioner shall establish that employees
107.18 have access to the minimum amount of private data on any individual as is necessary to
107.19 perform their duties under this chapter.

107.20 (d) The commissioner shall oversee regular quality and compliance audits of the
107.21 authorized fingerprint collection vendor or vendors.

107.22 Sec. 67. Minnesota Statutes 2020, section 245C.32, subdivision 2, is amended to read:

107.23 Subd. 2. **Use.** (a) The commissioner may also use these systems and records to obtain
107.24 and provide criminal history data from the Bureau of Criminal Apprehension, criminal
107.25 history data held by the commissioner, and data about substantiated maltreatment under
107.26 section 626.557 or chapter 260E, for other purposes, provided that:

107.27 (1) the background study is specifically authorized in statute; or

107.28 (2) the request is made with the informed consent of the subject of the study as provided
107.29 in section 13.05, subdivision 4.

107.30 (b) An individual making a request under paragraph (a), clause (2), must agree in writing
107.31 not to disclose the data to any other individual without the consent of the subject of the data.

108.1 (c) The commissioner may recover the cost of obtaining and providing background study
108.2 data by charging the individual or entity requesting the study a fee of no more than ~~\$20~~ \$42
108.3 per study. The fees collected under this paragraph are appropriated to the commissioner for
108.4 the purpose of conducting background studies.

108.5 Sec. 68. [245G.031] ALTERNATIVE LICENSING INSPECTIONS.

108.6 Subdivision 1. Eligibility for an alternative licensing inspection. (a) A license holder
108.7 who holds a qualifying accreditation may request approval for an alternative licensing
108.8 inspection by the commissioner when the standards of the accrediting body are determined
108.9 by the commissioner to be the same as or similar to the standards set forth in this chapter.
108.10 Programs licensed according to section 245G.19 to serve clients with children and opioid
108.11 treatment programs licensed according to section 245G.22 are not eligible for an alternative
108.12 licensing inspection.

108.13 (b) A license holder may request an alternative licensing inspection after the license
108.14 holder has had at least one inspection by the commissioner that included a review of all
108.15 applicable requirements in this chapter after issuance of the initial license.

108.16 (c) To be eligible for an alternative licensing inspection, the license holder must be in
108.17 substantial and consistent compliance at the time of the request. For purposes of this section,
108.18 "substantial and consistent compliance" means:

108.19 (1) the license holder has not had a license made conditional, suspended, or revoked
108.20 within the last five years;

108.21 (2) there have been no substantiated allegations of maltreatment for which the facility
108.22 was determined responsible within the past five years; and

108.23 (3) the license holder has corrected all violations and submitted required documentation
108.24 as specified in the correction orders issued within the past two years.

108.25 Subd. 2. Qualifying accreditation; determination of same and similar standards. (a)
108.26 The commissioner must accept a qualifying accreditation from an accrediting body listed
108.27 in paragraph (c) after determining, in consultation with the accrediting body and license
108.28 holders, the accrediting body's standards that are the same as or similar to the licensing
108.29 requirements in this chapter. In determining whether standards of an accrediting body are
108.30 the same as or similar to licensing requirements under this chapter, the commissioner shall
108.31 give due consideration to the existence of a standard that aligns in whole or in part to a
108.32 licensing standard.

109.1 (b) Upon request by a license holder, the commissioner may allow the accrediting body
109.2 to monitor for compliance with licensing requirements under this chapter that are determined
109.3 to be neither the same as nor similar to those of the accrediting body.

109.4 (c) For purposes of this section, "accrediting body" means the joint commission.

109.5 (d) Qualifying accreditation only applies to the license holder's licensed programs that
109.6 are included in the accrediting body's survey during each survey period.

109.7 **Subd. 3. Request for approval of an alternative licensing inspection status.** (a) A
109.8 license holder may request an alternative licensing inspection on the forms and in the manner
109.9 prescribed by the commissioner. When submitting the request, the license holder must
109.10 submit all documentation issued by the accrediting body verifying that the license holder
109.11 has obtained and maintained the qualifying accreditation and has complied with
109.12 recommendations or requirements from the accrediting body during the period of
109.13 accreditation. Prior to approving an alternative licensing inspection under this section, the
109.14 commissioner must have reviewed and approved the license holder's policies and procedures
109.15 required to demonstrate compliance with all applicable requirements in this chapter.

109.16 (b) The commissioner must notify the license holder in writing within 90 days whether
109.17 the request for an alternative licensing inspection status has been approved.

109.18 **Subd. 4. Programs approved for alternative licensing inspection; licensing**
109.19 **requirements.** (a) A license holder approved for alternative licensing inspection under this
109.20 section is required to maintain compliance with all licensing standards according to this
109.21 chapter.

109.22 (b) After approval, the license holder must submit to the commissioner changes to
109.23 policies required as a result of legislative changes to this chapter.

109.24 (c) The commissioner may conduct licensing inspections of requirements that are not
109.25 already covered by the accrediting body, as determined under subdivision 2, paragraphs (a)
109.26 and (b), including applicable requirements in chapters 245A and 245C, and Minnesota
109.27 Rules, chapter 9544.

109.28 (d) The commissioner may conduct routine licensing inspections every five years of all
109.29 applicable requirements in this chapter, chapters 245A and 245C, and Minnesota Rules,
109.30 chapter 9544.

109.31 (e) Within ten days of final approval of a corrective action plan by the accrediting body,
109.32 if any, or if no corrections, upon receipt of the final report by the accrediting body, the

110.1 license holder must mail or e-mail to the commissioner the complete contents of all survey
110.2 results and corrective responses.

110.3 (f) If the accrediting body determines the scope of noncompliance of a standard with a
110.4 pattern or widespread moderate likelihood to harm a client or any high likelihood to harm
110.5 a client, the commissioner may conduct an inspection.

110.6 (g) If the accrediting body does not subject a licensed location to a survey by the
110.7 accrediting body, the license holder must inform the commissioner and the commissioner
110.8 may conduct an inspection of that location.

110.9 (h) Upon receipt of a complaint or report regarding the services of a license holder
110.10 approved for alternative licensing inspection under this section, the commissioner may
110.11 investigate the complaint or report and may take any action as provided under section
110.12 245A.06 or 245A.07.

110.13 (i) The license holder must notify the commissioner in a timely manner if the license
110.14 holder no longer holds a qualifying accreditation from an accrediting body.

110.15 Subd. 5. **Investigations of alleged or suspected maltreatment.** Nothing in this section
110.16 changes the commissioner's responsibilities to investigate alleged or suspected maltreatment
110.17 of a minor under chapter 260E or a vulnerable adult under section 626.557.

110.18 Subd. 6. **Termination or denial of subsequent approval.** The commissioner may
110.19 terminate the approval of an alternative licensing inspection if after approval:

110.20 (1) the commissioner determines that the license holder has not maintained the qualifying
110.21 accreditation;

110.22 (2) the license holder fails to provide the commissioner with documentation that
110.23 demonstrates the license holder has complied with accreditation standards;

110.24 (3) the commissioner substantiates maltreatment for which the license holder or facility
110.25 is determined to be responsible; or

110.26 (4) the license holder is issued an order for conditional license, fine, suspension, or
110.27 license revocation that has not been reversed upon appeal.

110.28 Subd. 7. **Appeals.** The commissioner's decision that the conditions for approval for an
110.29 alternative licensing inspection have not been met is final and not subject to appeal under
110.30 the provisions of chapter 14.

110.31 **EFFECTIVE DATE.** This section is effective January 1, 2022.

111.1 Sec. 69. Minnesota Statutes 2020, section 256B.0949, is amended by adding a subdivision
111.2 to read:

111.3 Subd. 16a. **Background studies.** An early intensive developmental and behavioral
111.4 intervention services agency must fulfill any background studies requirements under this
111.5 section by initiating a background study through the commissioner's NETStudy system as
111.6 provided under sections 245C.03, subdivision 15, and 245C.10, subdivision 17.

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

111.8 Sec. 70. Minnesota Statutes 2020, section 260C.215, subdivision 4, is amended to read:

111.9 Subd. 4. **Duties of commissioner.** The commissioner of human services shall:

111.10 (1) provide practice guidance to responsible social services agencies and licensed
111.11 child-placing agencies that reflect federal and state laws and policy direction on placement
111.12 of children;

111.13 (2) develop criteria for determining whether a prospective adoptive or foster family has
111.14 the ability to understand and validate the child's cultural background;

111.15 (3) provide a standardized training curriculum for adoption and foster care workers and
111.16 administrators who work with children. Training must address the following objectives:

111.17 (i) developing and maintaining sensitivity to all cultures;

111.18 (ii) assessing values and their cultural implications;

111.19 (iii) making individualized placement decisions that advance the best interests of a
111.20 particular child under section 260C.212, subdivision 2; and

111.21 (iv) issues related to cross-cultural placement;

111.22 (4) provide a training curriculum for all prospective adoptive and foster families that
111.23 prepares them to care for the needs of adoptive and foster children taking into consideration
111.24 the needs of children outlined in section 260C.212, subdivision 2, paragraph (b), and, as
111.25 necessary, preparation is continued after placement of the child and includes the knowledge
111.26 and skills related to reasonable and prudent parenting standards for the participation of the
111.27 child in age or developmentally appropriate activities, according to section 260C.212,
111.28 subdivision 14;

111.29 (5) develop and provide to responsible social services agencies and licensed child-placing
111.30 agencies a home study format to assess the capacities and needs of prospective adoptive
111.31 and foster families. The format must address problem-solving skills; parenting skills; evaluate

112.1 the degree to which the prospective family has the ability to understand and validate the
 112.2 child's cultural background, and other issues needed to provide sufficient information for
 112.3 agencies to make an individualized placement decision consistent with section 260C.212,
 112.4 subdivision 2. For a study of a prospective foster parent, the format must also address the
 112.5 capacity of the prospective foster parent to provide a safe, healthy, smoke-free home
 112.6 environment. If a prospective adoptive parent has also been a foster parent, any update
 112.7 necessary to a home study for the purpose of adoption may be completed by the licensing
 112.8 authority responsible for the foster parent's license. If a prospective adoptive parent with
 112.9 an approved adoptive home study also applies for a foster care license, the license application
 112.10 may be made with the same agency which provided the adoptive home study; ~~and~~

112.11 (6) consult with representatives reflecting diverse populations from the councils
 112.12 established under sections 3.922 and 15.0145, and other state, local, and community
 112.13 organizations; and

112.14 (7) establish family foster setting licensing guidelines for county agencies and private
 112.15 agencies designated or licensed by the commissioner to perform licensing functions and
 112.16 activities under section 245A.04. Guidelines that the commissioner establishes under this
 112.17 clause shall be considered directives of the commissioner under section 245A.16.

112.18 **EFFECTIVE DATE.** This section is effective July 1, 2023.

112.19 Sec. 71. Laws 2020, First Special Session chapter 7, section 1, subdivision 1, is amended
 112.20 to read:

112.21 Subdivision 1. **Waivers and modifications; federal funding extension.** When the
 112.22 peacetime emergency declared by the governor in response to the COVID-19 outbreak
 112.23 expires, is terminated, or is rescinded by the proper authority, the following waivers and
 112.24 modifications to human services programs issued by the commissioner of human services
 112.25 pursuant to Executive Orders 20-11 and 20-12 that are required to comply with federal law
 112.26 may remain in effect for the time period set out in applicable federal law or for the time
 112.27 period set out in any applicable federally approved waiver or state plan amendment,
 112.28 whichever is later:

112.29 (1) CV15: allowing telephone or video visits for waiver programs;

112.30 (2) CV17: preserving health care coverage for Medical Assistance and MinnesotaCare;

112.31 ~~(2)~~ (3) CV18: implementation of federal changes to the Supplemental Nutrition Assistance
 112.32 Program;

112.33 ~~(3)~~ (4) CV20: eliminating cost-sharing for COVID-19 diagnosis and treatment;

113.1 ~~(4)~~ (5) CV24: allowing telephone or video use for targeted case management visits;

113.2 (6) CV30: expanding telemedicine in health care, mental health, and substance use
113.3 disorder settings;

113.4 (7) CV37: implementation of federal changes to the Supplemental Nutrition Assistance
113.5 Program;

113.6 ~~(5)~~ (8) CV39: implementation of federal changes to the Supplemental Nutrition Assistance
113.7 Program;

113.8 ~~(6)~~ (9) CV42: implementation of federal changes to the Supplemental Nutrition Assistance
113.9 Program;

113.10 (10) CV43: expanding remote home and community-based waiver services;

113.11 (11) CV44: allowing remote delivery of adult day services;

113.12 (12) CV59: modifying eligibility period for the federally funded Refugee Cash Assistance
113.13 Program; and

113.14 ~~(7)~~ (13) CV60: modifying eligibility period for the federally funded Refugee Social
113.15 Services Program; and

113.16 (14) CV109: providing 15 percent increase for Minnesota Food Assistance Program and
113.17 Minnesota Family Investment Program maximum food benefits.

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

113.19 Sec. 72. Laws 2020, First Special Session chapter 7, section 1, subdivision 3, is amended
113.20 to read:

113.21 Subd. 3. **Waivers and modifications; 60-day transition period.** When the peacetime
113.22 emergency declared by the governor in response to the COVID-19 outbreak expires, is
113.23 terminated, or is rescinded by the proper authority, all waivers or modifications issued by
113.24 the commissioner of human services in response to the COVID-19 outbreak that have not
113.25 been otherwise extended as provided in ~~subdivisions 1, 2, and 4~~ of this section may remain
113.26 in effect for no more than 60 days, only for purposes of transitioning affected programs
113.27 back to operating without the waivers or modifications in place.

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

114.1 Sec. 73. Laws 2020, First Special Session chapter 7, section 1, as amended by Laws 2020,
114.2 Third Special Session chapter 1, section 3, is amended by adding a subdivision to read:

114.3 Subd. 5. **Waivers and modifications; extension for 365 days.** When the peacetime
114.4 emergency declared by the governor in response to the COVID-19 outbreak expires, is
114.5 terminated, or is rescinded by the proper authority, waiver CV23: modifying background
114.6 study requirements, issued by the commissioner of human services pursuant to Executive
114.7 Orders 20-11 and 20-12, including any amendments to the modification issued before the
114.8 peacetime emergency expires, shall remain in effect for 365 days after the peacetime
114.9 emergency ends.

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

114.11 Sec. 74. **LEGISLATIVE TASK FORCE; HUMAN SERVICES BACKGROUND**
114.12 **STUDY ELIGIBILITY.**

114.13 Subdivision 1. **Creation; duties.** A legislative task force is created to review the statutes
114.14 relating to human services background study eligibility and disqualifications, including but
114.15 not limited to Minnesota Statutes, sections 245C.14 and 245C.15, in order to:

114.16 (1) evaluate the existing statutes' effectiveness in protecting the individuals served by
114.17 programs for which background studies are conducted under Minnesota Statutes, chapter
114.18 245C, including by gathering and reviewing available background study disqualification
114.19 data;

114.20 (2) identify the existing statutes' weaknesses and inefficiencies, ways in which the
114.21 existing statutes may unnecessarily or unintentionally prevent qualified individuals from
114.22 providing services or securing employment, and any additional areas for improvement or
114.23 modernization; and

114.24 (3) develop legislative proposals that improve or modernize the human services
114.25 background study eligibility and disqualification statutes, or otherwise address the issues
114.26 identified in clauses (1) and (2).

114.27 Subd. 2. **Membership.** (a) The task force shall consist of 26 members, appointed as
114.28 follows:

114.29 (1) two members representing licensing boards whose licensed providers are subject to
114.30 the provisions in Minnesota Statutes, section 245C.03, one appointed by the speaker of the
114.31 house of representatives, and one appointed by the senate majority leader;

114.32 (2) the commissioner of human services or a designee;

- 115.1 (3) the commissioner of health or a designee;
- 115.2 (4) two members representing county attorneys and law enforcement, one appointed by
115.3 the speaker of the house of representatives, and one appointed by the senate majority leader;
- 115.4 (5) two members representing licensed service providers who are subject to the provisions
115.5 in Minnesota Statutes, section 245C.15, one appointed by the speaker of the house of
115.6 representatives, and one appointed by the senate majority leader;
- 115.7 (6) four members of the public, including two who have been subject to disqualification
115.8 based on the provisions of Minnesota Statutes, section 245C.15, and two who have been
115.9 subject to a set-aside based on the provisions of Minnesota Statutes, section 245C.15, with
115.10 one from each category appointed by the speaker of the house of representatives, and one
115.11 from each category appointed by the senate majority leader;
- 115.12 (7) one member appointed by the governor's Workforce Development Board;
- 115.13 (8) one member appointed by the One Minnesota Council on Diversity, Inclusion, and
115.14 Equity;
- 115.15 (9) two members representing the Minnesota courts, one appointed by the speaker of
115.16 the house of representatives, and one appointed by the senate majority leader;
- 115.17 (10) one member appointed jointly by Mid-Minnesota Legal Aid, Southern Minnesota
115.18 Legal Services, and the Legal Rights Center;
- 115.19 (11) one member representing Tribal organizations, appointed by the Minnesota Indian
115.20 Affairs Council;
- 115.21 (12) two members from the house of representatives, including one appointed by the
115.22 speaker of the house of representatives and one appointed by the minority leader in the
115.23 house of representatives;
- 115.24 (13) two members from the senate, including one appointed by the senate majority leader
115.25 and one appointed by the senate minority leader;
- 115.26 (14) two members representing county human services agencies appointed by the
115.27 Minnesota Association of County Social Service Administrators, including one appointed
115.28 to represent the metropolitan area as defined in Minnesota Statutes, section 473.121,
115.29 subdivision 2, and one appointed to represent the area outside of the metropolitan area; and
- 115.30 (15) two attorneys who have represented individuals that appealed a background study
115.31 disqualification determination based on Minnesota Statutes, sections 245C.14 and 245C.15,

116.1 one appointed by the speaker of the house of representatives, and one appointed by the
116.2 senate majority leader.

116.3 (b) Appointments to the task force must be made by August 18, 2021.

116.4 Subd. 3. **Compensation.** Public members of the task force may be compensated as
116.5 provided by Minnesota Statutes, section 15.059, subdivision 3.

116.6 Subd. 4. **Officers; meetings.** (a) The first meeting of the task force shall be cochaired
116.7 by the task force member from the majority party of the house of representatives and the
116.8 task force member from the majority party of the senate. The task force shall elect a chair
116.9 and vice chair at the first meeting who shall preside at the remainder of the task force
116.10 meetings. The task force may elect other officers as necessary.

116.11 (b) The task force shall meet at least monthly. The Legislative Coordinating Commission
116.12 shall convene the first meeting by September 1, 2021.

116.13 (c) Meetings of the task force are subject to the Minnesota Open Meeting Law under
116.14 Minnesota Statutes, chapter 13D.

116.15 Subd. 5. **Reports required.** The task force shall submit an interim written report by
116.16 March 1, 2022, and a final report by December 16, 2022, to the chairs and ranking minority
116.17 members of the committees in the house of representatives and the senate with jurisdiction
116.18 over human services licensing. The reports shall explain the task force's findings and
116.19 recommendations relating to each of the duties under subdivision 1, and include any draft
116.20 legislation necessary to implement the recommendations.

116.21 Subd. 6. **Expiration.** The task force expires upon submission of the final report in
116.22 subdivision 5 or December 20, 2022, whichever is later.

116.23 **EFFECTIVE DATE.** This section is effective the day following final enactment and
116.24 expires December 31, 2022.

116.25 Sec. 75. **CHILD CARE CENTER REGULATION MODERNIZATION.**

116.26 (a) The commissioner of human services shall contract with an experienced and
116.27 independent organization or individual consultant to conduct the work outlined in this
116.28 section. If practicable, the commissioner must contract with the National Association for
116.29 Regulatory Administration.

116.30 (b) The consultant must develop a proposal for revised licensing standards that includes
116.31 a risk-based model for monitoring compliance with child care center licensing standards,
116.32 grounded in national regulatory best practices. Violations in the new model must be weighted

117.1 to reflect the potential risk that the violations pose to children's health and safety, and
117.2 licensing sanctions must be tied to the potential risk. The proposed new model must protect
117.3 the health and safety of children in child care centers and be child-centered, family-friendly,
117.4 and fair to providers.

117.5 (c) The consultant shall develop and implement a stakeholder engagement process that
117.6 solicits input from parents, licensed child care centers, staff of the Department of Human
117.7 Services, and experts in child development about appropriate licensing standards, appropriate
117.8 tiers for violations of the standards based on the potential risk of harm that each violation
117.9 poses, and appropriate licensing sanctions for each tier.

117.10 (d) The consultant shall solicit input from parents, licensed child care centers, and staff
117.11 of the Department of Human Services about which child care centers should be eligible for
117.12 abbreviated inspections that predict compliance with other licensing standards for licensed
117.13 child care centers using key indicators previously identified by an empirically based statistical
117.14 methodology developed by the National Association for Regulatory Administration and the
117.15 Research Institute for Key Indicators.

117.16 (e) No later than February 1, 2024, the commissioner shall submit a report and proposed
117.17 legislation required to implement the new licensing model to the chairs and ranking minority
117.18 members of the legislative committees with jurisdiction over child care regulation.

117.19 **Sec. 76. DIRECTION TO THE COMMISSIONER OF HUMAN SERVICES; CHILD**
117.20 **FOSTER CARE LICENSING GUIDELINES.**

117.21 By July 1, 2023, the commissioner of human services shall, in consultation with
117.22 stakeholders with expertise in child protection and children's behavioral health, develop
117.23 family foster setting licensing guidelines for county agencies and private agencies that
117.24 perform licensing functions. Stakeholders include but are not limited to child advocates,
117.25 representatives from community organizations, representatives of the state ethnic councils,
117.26 the ombudsperson for families, family foster setting providers, youth who have experienced
117.27 family foster setting placements, county child protection staff, and representatives of county
117.28 and private licensing agencies.

118.1 Sec. 77. DIRECTION TO COMMISSIONER OF HUMAN SERVICES; DHS
118.2 FAMILY CHILD CARE FREQUENTLY ASKED QUESTIONS WEBSITE
118.3 MODIFICATIONS.

118.4 By July 1, 2022, the commissioner of human services shall expand the "frequently asked
118.5 questions" website for family child care providers to include more answers to submitted
118.6 questions and a function to search for answers to specific question topics.

118.7 Sec. 78. DIRECTION TO COMMISSIONER OF HUMAN SERVICES; FAMILY
118.8 CHILD CARE TASK FORCE RECOMMENDATIONS IMPLEMENTATION PLAN.

118.9 The commissioner of human services shall include individuals representing family child
118.10 care providers in stakeholder groups that participate in implementing the recommendations
118.11 of the Family Child Care Task Force.

118.12 Sec. 79. DIRECTION TO COMMISSIONER OF HUMAN SERVICES; CHILD
118.13 CARE ONE-STOP ASSISTANCE NETWORK.

118.14 (a) By January 1, 2022, the commissioner of human services shall, in consultation with
118.15 county agencies, child care providers, and stakeholders, develop a plan to establish a one-stop
118.16 regional assistance network of individuals with: (1) experience or expertise starting a licensed
118.17 family child care or group family child care program, or a child care center; or (2) technical
118.18 expertise regarding state licensing statutes and procedures. The one-stop regional assistance
118.19 network will assist child care providers and individuals interested in becoming child care
118.20 providers with establishing and sustaining a licensed family child care or group family child
118.21 care program, or a child care center.

118.22 (b) The plan to establish a one-stop regional assistance network shall include:

118.23 (1) an estimated timeline for implementing the assistance network through the child care
118.24 resource and referral system in Minnesota Statutes, section 119B.19;

118.25 (2) an estimated budget for the assistance network;

118.26 (3) a strategy to raise awareness and distribute the network's contact information statewide
118.27 to licensed family child care providers and group family child care providers, and to child
118.28 care centers; and

118.29 (4) any necessary legislative proposals necessary to implement the assistance network.

118.30 (c) The child care resource and referral system in Minnesota Statutes, section 119B.19,
118.31 shall begin implementing the plan according to the established timeline.

119.1 **Sec. 80. DIRECTION TO THE COMMISSIONER OF HUMAN SERVICES;**
119.2 **RECOMMENDED FAMILY CHILD CARE ORIENTATION TRAINING.**

119.3 By July 1, 2022, the commissioner of human services shall work with licensed family
119.4 child care providers and county agencies to develop recommended orientation training
119.5 materials for family child care license applicants to ensure that all family child care license
119.6 applicants receive uniform materials with basic information about Minnesota Statutes,
119.7 chapters 245A, 245C, and 260E, and Minnesota Rules, chapter 9502.

119.8 **Sec. 81. FAMILY CHILD CARE REGULATION MODERNIZATION.**

119.9 (a) The commissioner of human services shall contract with an experienced and
119.10 independent organization or individual consultant to conduct the work outlined in this
119.11 section. If practicable, the commissioner must contract with the National Association for
119.12 Regulatory Administration.

119.13 (b) The consultant must develop a proposal for updated family child care licensing
119.14 standards and solicit input from stakeholders as described in paragraph (d).

119.15 (c) The consultant must develop a proposal for a risk-based model for monitoring
119.16 compliance with family child care licensing standards, grounded in national regulatory best
119.17 practices. Violations in the new model must be weighted to reflect the potential risk they
119.18 pose to children's health and safety, and licensing sanctions must be tied to the potential
119.19 risk. The proposed new model must protect the health and safety of children in family child
119.20 care programs and be child-centered, family-friendly, and fair to providers.

119.21 (d) The consultant shall develop and implement a stakeholder engagement process that
119.22 solicits input from parents, licensed family child care providers, county licensors, staff of
119.23 the Department of Human Services, and experts in child development about licensing
119.24 standards, tiers for violations of the standards based on the potential risk of harm that each
119.25 violation poses, and licensing sanctions for each tier.

119.26 (e) The consultant shall solicit input from parents, licensed family child care providers,
119.27 county licensors, and staff of the Department of Human Services about which family child
119.28 care providers should be eligible for abbreviated inspections that predict compliance with
119.29 other licensing standards for licensed family child care providers using key indicators
119.30 previously identified by an empirically based statistical methodology developed by the
119.31 National Association for Regulatory Administration and the Research Institute for Key
119.32 Indicators.

120.1 (f) No later than February 1, 2024, the commissioner shall submit a report and proposed
120.2 legislation required to implement the new licensing model and the new licensing standards
120.3 to the chairs and ranking minority members of the legislative committees with jurisdiction
120.4 over child care regulation.

120.5 **Sec. 82. FAMILY CHILD CARE TRAINING ADVISORY COMMITTEE.**

120.6 **Subdivision 1. Formation; duties.** (a) The Family Child Care Training Advisory
120.7 Committee shall advise the commissioner of human services on the training requirements
120.8 for licensed family and group family child care providers. Beginning January 1, 2022, the
120.9 advisory committee shall meet at least twice per year. The advisory committee shall annually
120.10 elect a chair from committee members who shall establish the agenda for each meeting.
120.11 The commissioner or commissioner's designee shall attend all advisory committee meetings.

120.12 (b) The Family Child Care Training Advisory Committee shall advise and make
120.13 recommendations to the commissioner of human services and contractors working on the
120.14 family child care licensing modernization project on:

120.15 (1) updates to the rules and statutes governing family child care training, including
120.16 technical updates to facilitate providers' understanding of training requirements;

120.17 (2) modernization of family child care training requirements, including substantive
120.18 changes to training subject areas;

120.19 (3) difficulties that family child care providers face in completing training requirements,
120.20 including proposed solutions to provider difficulties; and

120.21 (4) other ideas for improving access to and quality of training for family child care
120.22 providers.

120.23 (c) The Family Child Care Training Advisory Committee shall expire December 1, 2025.

120.24 **Subd. 2. Advisory committee members.** (a) The Family Child Care Training Advisory
120.25 Committee consists of:

120.26 (1) four members representing family child care providers from greater Minnesota,
120.27 including two appointed by the speaker of the house and two appointed by the senate majority
120.28 leader;

120.29 (2) two members representing family child care providers from the seven-county
120.30 metropolitan area as defined in Minnesota Statutes, section 473.121, subdivision 2, including
120.31 one appointed by the speaker of the house and one appointed by the senate majority leader;

121.1 (3) one member representing family child care providers appointed by the Minnesota
121.2 Association of Child Care Professionals;

121.3 (4) one member representing family child care providers appointed by the Minnesota
121.4 Child Care Provider Information Network;

121.5 (5) two members appointed by the Association of Minnesota Child Care Licensors,
121.6 including one from greater Minnesota and one from the seven-county metropolitan area, as
121.7 defined in Minnesota Statutes, section 473.121, subdivision 2; and

121.8 (6) five members with expertise in child development and either instructional design or
121.9 training delivery, including:

121.10 (i) two members appointed by the speaker of the house;

121.11 (ii) two members appointed by the senate majority leader; and

121.12 (iii) one member appointed by Achieve, the Minnesota Center for Professional
121.13 Development.

121.14 (b) Advisory committee members shall not be employed by the Department of Human
121.15 Services. Advisory committee members shall receive no compensation, except that public
121.16 members of the advisory committee may be compensated as provided by Minnesota Statutes,
121.17 section 15.059, subdivision 3.

121.18 (c) Advisory committee members must include representatives of diverse cultural
121.19 communities.

121.20 (d) Advisory committee members shall serve two-year terms. Initial appointments to
121.21 the advisory committee must be made by December 1, 2021. Subsequent appointments to
121.22 the advisory committee must be made by December 1 of the year in which the member's
121.23 term expires. Any vacancy on the advisory committee must be filled within 60 days and
121.24 must be filled in the same manner that the leaving member was appointed under paragraph
121.25 (a).

121.26 (e) The commissioner of human services must convene the first meeting of the advisory
121.27 committee by March 1, 2022.

121.28 Subd. 3. **Commissioner report.** The commissioner of human services shall report
121.29 annually by December 15 to the chairs and ranking minority members of the legislative
121.30 committees with jurisdiction over early care and education programs on any recommendations
121.31 from the Family Child Care Training Advisory Committee. The report may include draft
121.32 legislation necessary to implement recommendations from the advisory committee.

122.1 **Sec. 83. DIRECTION TO COMMISSIONER OF HUMAN SERVICES;**
122.2 **ALTERNATIVE CHILD CARE LICENSING MODELS.**

122.3 The commissioner of human services, in consultation with counties, child care providers,
122.4 and other relevant stakeholders, shall review child care models that are not currently allowed
122.5 under state statutes, including licensing standards related to age, group size, and capacity.
122.6 The commissioner must consider whether any models could address the state's child care
122.7 needs while protecting children's safety, health, and well-being and make recommendations
122.8 for implementing the models that meet these criteria. No later than January 1, 2023, the
122.9 commissioner of human services shall report the recommendations to the chairs and ranking
122.10 minority members of the legislative committees with jurisdiction over child care licensing.

122.11 **Sec. 84. DIRECTION TO COMMISSIONER OF HUMAN SERVICES; FEDERAL**
122.12 **FUND AND CHILD CARE AND DEVELOPMENT BLOCK GRANT**
122.13 **ALLOCATIONS.**

122.14 (a) The commissioner of human services shall allocate \$3,000,000 in fiscal year 2022
122.15 from the child care and development block grant for grants to organizations operating child
122.16 care resource and referral programs under Minnesota Statutes, section 119B.19, to offer a
122.17 child care one-stop regional assistance network.

122.18 (b) The commissioner of human services shall allocate \$50,000 in fiscal year 2022 from
122.19 the child care and development block grant for modifications to the family child care provider
122.20 frequently asked questions website.

122.21 (c) The commissioner of human services shall allocate \$4,500,000 in fiscal year 2022
122.22 from the child care and development block grant for costs to cover the fees related to
122.23 administering child care background studies.

122.24 (d) The commissioner of human services shall allocate \$2,059,000 in fiscal year 2022
122.25 from the child care and development block grant for the child care center regulation
122.26 modernization project.

122.27 (e) The commissioner of human services shall allocate \$1,719,000 in fiscal year 2022
122.28 from the child care and development block grant for the family child care regulation
122.29 modernization project.

122.30 (f) The commissioner of human services shall allocate \$100,000 in fiscal year 2022 from
122.31 the federal fund for a working group to review alternative child care licensing models.

123.1 (g) The commissioner of human services shall allocate \$59,000 in fiscal year 2022 from
123.2 the child care and development block grant for the family child care training advisory
123.3 committee.

123.4 (h) The commissioner of human services shall allocate \$7,650,000 in fiscal year 2022
123.5 from the child care and development block grant for child care information technology and
123.6 system improvements.

123.7 (i) The allocations in this section are available until June 30, 2025.

123.8 Sec. 85. **REVISOR INSTRUCTION.**

123.9 The revisor of statutes shall renumber Minnesota Statutes, section 245C.02, so that the
123.10 subdivisions are alphabetical. The revisor shall correct any cross-references that arise as a
123.11 result of the renumbering.

123.12 Sec. 86. **REPEALER.**

123.13 Laws 2020, First Special Session chapter 7, section 1, subdivision 2, as amended by
123.14 Laws 2020, Third Special Session chapter 1, section 3, is repealed.

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

123.16 **ARTICLE 3**

123.17 **HEALTH DEPARTMENT**

123.18 Section 1. Minnesota Statutes 2020, section 62J.495, subdivision 1, is amended to read:

123.19 Subdivision 1. **Implementation.** The commissioner of health, in consultation with the
123.20 e-Health Advisory Committee, shall develop uniform standards to be used for the
123.21 interoperable electronic health records system for sharing and synchronizing patient data
123.22 across systems. The standards must be compatible with federal efforts. The uniform standards
123.23 must be developed by January 1, 2009, and updated on an ongoing basis. ~~The commissioner~~
123.24 ~~shall include an update on standards development as part of an annual report to the legislature.~~
123.25 Individual health care providers in private practice with no other providers and health care
123.26 providers that do not accept reimbursement from a group purchaser, as defined in section
123.27 62J.03, subdivision 6, are excluded from the requirements of this section.

124.1 Sec. 2. Minnesota Statutes 2020, section 62J.495, subdivision 2, is amended to read:

124.2 Subd. 2. **E-Health Advisory Committee.** (a) The commissioner shall establish an
124.3 e-Health Advisory Committee governed by section 15.059 to advise the commissioner on
124.4 the following matters:

124.5 (1) assessment of the adoption and effective use of health information technology by
124.6 the state, licensed health care providers and facilities, and local public health agencies;

124.7 (2) recommendations for implementing a statewide interoperable health information
124.8 infrastructure, to include estimates of necessary resources, and for determining standards
124.9 for clinical data exchange, clinical support programs, patient privacy requirements, and
124.10 maintenance of the security and confidentiality of individual patient data;

124.11 (3) recommendations for encouraging use of innovative health care applications using
124.12 information technology and systems to improve patient care and reduce the cost of care,
124.13 including applications relating to disease management and personal health management
124.14 that enable remote monitoring of patients' conditions, especially those with chronic
124.15 conditions; and

124.16 (4) other related issues as requested by the commissioner.

124.17 (b) The members of the e-Health Advisory Committee shall include the commissioners,
124.18 or commissioners' designees, of health, human services, administration, and commerce and
124.19 additional members to be appointed by the commissioner to include persons representing
124.20 Minnesota's local public health agencies, licensed hospitals and other licensed facilities and
124.21 providers, private purchasers, the medical and nursing professions, health insurers and health
124.22 plans, the state quality improvement organization, academic and research institutions,
124.23 consumer advisory organizations with an interest and expertise in health information
124.24 technology, and other stakeholders as identified by the commissioner to fulfill the
124.25 requirements of section 3013, paragraph (g), of the HITECH Act.

124.26 ~~(c) The commissioner shall prepare and issue an annual report not later than January 30~~
124.27 ~~of each year outlining progress to date in implementing a statewide health information~~
124.28 ~~infrastructure and recommending action on policy and necessary resources to continue the~~
124.29 ~~promotion of adoption and effective use of health information technology.~~

124.30 ~~(d)~~ This subdivision expires June 30, ~~2024~~ 2031.

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

125.1 Sec. 3. Minnesota Statutes 2020, section 62J.495, subdivision 4, is amended to read:

125.2 Subd. 4. **Coordination with national HIT activities.** (a) The commissioner, in
125.3 consultation with the e-Health Advisory Committee, shall update the statewide
125.4 implementation plan required under subdivision 2 and released June 2008, to be consistent
125.5 with the updated federal HIT Strategic Plan released by the Office of the National Coordinator
125.6 in accordance with section 3001 of the HITECH Act. The statewide plan shall meet the
125.7 requirements for a plan required under section 3013 of the HITECH Act plans.

125.8 (b) The commissioner, in consultation with the e-Health Advisory Committee, shall
125.9 work to ensure coordination between state, regional, and national efforts to support and
125.10 accelerate efforts to effectively use health information technology to improve the quality
125.11 and coordination of health care and the continuity of patient care among health care providers,
125.12 to reduce medical errors, to improve population health, to reduce health disparities, and to
125.13 reduce chronic disease. The commissioner's coordination efforts shall include but not be
125.14 limited to:

125.15 ~~(1) assisting in the development and support of health information technology regional~~
125.16 ~~extension centers established under section 3012(c) of the HITECH Act to provide technical~~
125.17 ~~assistance and disseminate best practices;~~

125.18 ~~(2) providing supplemental information to the best practices gathered by regional centers~~
125.19 ~~to ensure that the information is relayed in a meaningful way to the Minnesota health care~~
125.20 ~~community;~~

125.21 ~~(3)~~ (1) providing financial and technical support to Minnesota health care providers to
125.22 encourage implementation of admission, discharge and transfer alerts, and care summary
125.23 document exchange transactions and to evaluate the impact of health information technology
125.24 on cost and quality of care. Communications about available financial and technical support
125.25 shall include clear information about the interoperable health record requirements in
125.26 subdivision 1, including a separate statement in bold-face type clarifying the exceptions to
125.27 those requirements;

125.28 ~~(4)~~ (2) providing educational resources and technical assistance to health care providers
125.29 and patients related to state and national privacy, security, and consent laws governing
125.30 clinical health information, including the requirements in sections 144.291 to 144.298. In
125.31 carrying out these activities, the commissioner's technical assistance does not constitute
125.32 legal advice;

125.33 ~~(5)~~ (3) assessing Minnesota's legal, financial, and regulatory framework for health
125.34 information exchange, including the requirements in sections 144.291 to 144.298, and

126.1 making recommendations for modifications that would strengthen the ability of Minnesota
126.2 health care providers to securely exchange data in compliance with patient preferences and
126.3 in a way that is efficient and financially sustainable; and

126.4 ~~(6)~~ (4) seeking public input on both patient impact and costs associated with requirements
126.5 related to patient consent for release of health records for the purposes of treatment, payment,
126.6 and health care operations, as required in section 144.293, subdivision 2. The commissioner
126.7 shall provide a report to the legislature on the findings of this public input process no later
126.8 than February 1, 2017.

126.9 (c) The commissioner, in consultation with the e-Health Advisory Committee, shall
126.10 monitor national activity related to health information technology and shall coordinate
126.11 statewide input on policy development. The commissioner shall coordinate statewide
126.12 responses to proposed federal health information technology regulations in order to ensure
126.13 that the needs of the Minnesota health care community are adequately and efficiently
126.14 addressed in the proposed regulations. The commissioner's responses may include, but are
126.15 not limited to:

126.16 (1) reviewing and evaluating any standard, implementation specification, or certification
126.17 criteria proposed by the national HIT standards ~~committee~~ committees;

126.18 (2) reviewing and evaluating policy proposed by ~~the~~ national HIT policy ~~committee~~
126.19 committees relating to the implementation of a nationwide health information technology
126.20 infrastructure; and

126.21 ~~(3) monitoring and responding to activity related to the development of quality measures~~
126.22 ~~and other measures as required by section 4101 of the HITECH Act. Any response related~~
126.23 ~~to quality measures shall consider and address the quality efforts required under chapter~~
126.24 ~~62U; and~~

126.25 ~~(4) monitoring and responding to national activity related to privacy, security, and data~~
126.26 ~~stewardship of electronic health information and individually identifiable health information.~~

126.27 (d) To the extent that the state is either required or allowed to apply, or designate an
126.28 entity to apply for or carry out activities and programs ~~under section 3013 of the HITECH~~
126.29 ~~Act~~, the commissioner of health, in consultation with the e-Health Advisory Committee
126.30 and the commissioner of human services, shall be the lead applicant or sole designating
126.31 authority. The commissioner shall make such designations consistent with the goals and
126.32 objectives of sections 62J.495 to 62J.497 and 62J.50 to 62J.61.

127.1 (e) The commissioner of human services shall apply for funding necessary to administer
127.2 the incentive payments to providers authorized under title IV of the American Recovery
127.3 and Reinvestment Act.

127.4 ~~(f) The commissioner shall include in the report to the legislature information on the~~
127.5 ~~activities of this subdivision and provide recommendations on any relevant policy changes~~
127.6 ~~that should be considered in Minnesota.~~

127.7 Sec. 4. Minnesota Statutes 2020, section 62J.497, subdivision 1, is amended to read:

127.8 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
127.9 the meanings given.

127.10 ~~(b) "Backward compatible" means that the newer version of a data transmission standard~~
127.11 ~~would retain, at a minimum, the full functionality of the versions previously adopted, and~~
127.12 ~~would permit the successful completion of the applicable transactions with entities that~~
127.13 ~~continue to use the older versions.~~

127.14 ~~(e)~~ (b) "Dispense" or "dispensing" has the meaning given in section 151.01, subdivision
127.15 30. Dispensing does not include the direct administering of a controlled substance to a
127.16 patient by a licensed health care professional.

127.17 ~~(d)~~ (c) "Dispenser" means a person authorized by law to dispense a controlled substance,
127.18 pursuant to a valid prescription.

127.19 ~~(e)~~ (d) "Electronic media" has the meaning given under Code of Federal Regulations,
127.20 title 45, part 160.103.

127.21 ~~(f)~~ (e) "E-prescribing" means the transmission using electronic media of prescription or
127.22 prescription-related information between a prescriber, dispenser, pharmacy benefit manager,
127.23 or group purchaser, either directly or through an intermediary, including an e-prescribing
127.24 network. E-prescribing includes, but is not limited to, two-way transmissions between the
127.25 point of care and the dispenser and two-way transmissions related to eligibility, formulary,
127.26 and medication history information.

127.27 ~~(g)~~ (f) "Electronic prescription drug program" means a program that provides for
127.28 e-prescribing.

127.29 ~~(h)~~ (g) "Group purchaser" has the meaning given in section 62J.03, subdivision 6.

127.30 ~~(i)~~ (h) "HL7 messages" means a standard approved by the standards development
127.31 organization known as Health Level Seven.

128.1 ~~(j)~~(i) "National Provider Identifier" or "NPI" means the identifier described under Code
128.2 of Federal Regulations, title 45, part 162.406.

128.3 ~~(k)~~(j) "NCPDP" means the National Council for Prescription Drug Programs, Inc.

128.4 ~~(l)~~(k) "NCPDP Formulary and Benefits Standard" means the most recent version of the
128.5 National Council for Prescription Drug Programs Formulary and Benefits Standard,
128.6 Implementation Guide, Version 1, Release 0, October 2005 or the most recent standard
128.7 adopted by the Centers for Medicare and Medicaid Services for e-prescribing under Medicare
128.8 Part D as required by section 1860D-4(e)(4)(D) of the Social Security Act and regulations
128.9 adopted under it. The standards shall be implemented according to the Centers for Medicare
128.10 and Medicaid Services schedule for compliance.

128.11 ~~(m)~~(l) "NCPDP SCRIPT Standard" means the most recent version of the National
128.12 Council for Prescription Drug Programs ~~Prescriber/Pharmacist Interface~~ SCRIPT Standard,
128.13 ~~Implementation Guide Version 8, Release 1 (Version 8.1), October 2005,~~ or the most recent
128.14 standard adopted by the Centers for Medicare and Medicaid Services for e-prescribing under
128.15 Medicare Part D as required by section 1860D-4(e)(4)(D) of the Social Security Act, and
128.16 regulations adopted under it. The standards shall be implemented according to the Centers
128.17 for Medicare and Medicaid Services schedule for compliance. ~~Subsequently released versions~~
128.18 ~~of the NCPDP SCRIPT Standard may be used, provided that the new version of the standard~~
128.19 ~~is backward compatible to the current version adopted by the Centers for Medicare and~~
128.20 ~~Medicaid Services.~~

128.21 ~~(n)~~(m) "Pharmacy" has the meaning given in section 151.01, subdivision 2.

128.22 ~~(o)~~(n) "Prescriber" means a licensed health care practitioner, other than a veterinarian,
128.23 as defined in section 151.01, subdivision 23.

128.24 ~~(p)~~(o) "Prescription-related information" means information regarding eligibility for
128.25 drug benefits, medication history, or related health or drug information.

128.26 ~~(q)~~(p) "Provider" or "health care provider" has the meaning given in section 62J.03,
128.27 subdivision 8.

128.28 Sec. 5. Minnesota Statutes 2020, section 62J.497, subdivision 3, is amended to read:

128.29 Subd. 3. **Standards for electronic prescribing.** (a) Prescribers and dispensers must use
128.30 the NCPDP SCRIPT Standard for the communication of a prescription or prescription-related
128.31 information. ~~The NCPDP SCRIPT Standard shall be used to conduct the following~~
128.32 ~~transactions:~~

- 129.1 ~~(1) get message transaction;~~
- 129.2 ~~(2) status response transaction;~~
- 129.3 ~~(3) error response transaction;~~
- 129.4 ~~(4) new prescription transaction;~~
- 129.5 ~~(5) prescription change request transaction;~~
- 129.6 ~~(6) prescription change response transaction;~~
- 129.7 ~~(7) refill prescription request transaction;~~
- 129.8 ~~(8) refill prescription response transaction;~~
- 129.9 ~~(9) verification transaction;~~
- 129.10 ~~(10) password change transaction;~~
- 129.11 ~~(11) cancel prescription request transaction; and~~
- 129.12 ~~(12) cancel prescription response transaction.~~
- 129.13 (b) Providers, group purchasers, prescribers, and dispensers must use the NCPDP SCRIPT
- 129.14 Standard for communicating and transmitting medication history information.
- 129.15 (c) Providers, group purchasers, prescribers, and dispensers must use the NCPDP
- 129.16 Formulary and Benefits Standard for communicating and transmitting formulary and benefit
- 129.17 information.
- 129.18 (d) Providers, group purchasers, prescribers, and dispensers must use the national provider
- 129.19 identifier to identify a health care provider in e-prescribing or prescription-related transactions
- 129.20 when a health care provider's identifier is required.
- 129.21 (e) Providers, group purchasers, prescribers, and dispensers must communicate eligibility
- 129.22 information and conduct health care eligibility benefit inquiry and response transactions
- 129.23 according to the requirements of section 62J.536.
- 129.24 Sec. 6. Minnesota Statutes 2020, section 62J.63, subdivision 1, is amended to read:
- 129.25 Subdivision 1. ~~Establishment; administration~~ **Support for state health care**
- 129.26 **purchasing and performance measurement.** The commissioner of health shall ~~establish~~
- 129.27 ~~and administer the Center for Health Care Purchasing Improvement as an administrative~~
- 129.28 ~~unit within the Department of Health. The Center for Health Care Purchasing Improvement~~
- 129.29 ~~shall~~ support the state in its efforts to be a more prudent and efficient purchaser of quality
- 129.30 health care services. ~~The center shall,~~ aid the state in developing and using more common

130.1 strategies and approaches for health care performance measurement and health care
130.2 purchasing. ~~The common strategies and approaches shall,~~ promote greater transparency of
130.3 health care costs and quality; and greater accountability for health care results and
130.4 improvement. ~~The center shall also,~~ and identify barriers to more efficient, effective, quality
130.5 health care and options for overcoming the barriers.

130.6 Sec. 7. Minnesota Statutes 2020, section 62J.63, subdivision 2, is amended to read:

130.7 Subd. 2. **Staffing; Duties; scope.** (a) The commissioner of health may ~~appoint a director,~~
130.8 ~~and up to three additional senior-level staff or codirectors, and other staff as needed who~~
130.9 ~~are under the direction of the commissioner. The staff of the center are in the unclassified~~
130.10 ~~service.:~~

130.11 (b) ~~With the authorization of the commissioner of health, and in consultation or~~
130.12 ~~interagency agreement with the appropriate commissioners of state agencies, the director,~~
130.13 ~~or codirectors, may:~~

130.14 (1) ~~initiate projects to develop plan designs for state health care purchasing;~~

130.15 (2) ~~(1)~~ require reports or surveys to evaluate the performance of current health care
130.16 purchasing or administrative simplification strategies;

130.17 (3) ~~(2)~~ calculate fiscal impacts, including net savings and return on investment, of health
130.18 care purchasing strategies and initiatives;

130.19 (4) ~~conduct policy audits of state programs to measure conformity to state statute or~~
130.20 ~~other purchasing initiatives or objectives;~~

130.21 (5) ~~(3)~~ support the Administrative Uniformity Committee under ~~section~~ sections 62J.50
130.22 and 62J.536 and other relevant groups or activities to advance agreement on health care
130.23 administrative process streamlining;

130.24 (6) ~~consult with the Health Economics Unit of the Department of Health regarding~~
130.25 ~~reports and assessments of the health care marketplace;~~

130.26 (7) ~~consult with the Department of Commerce regarding health care regulatory issues~~
130.27 ~~and legislative initiatives;~~

130.28 (8) ~~work with appropriate Department of Human Services staff and the Centers for~~
130.29 ~~Medicare and Medicaid Services to address federal requirements and conformity issues for~~
130.30 ~~health care purchasing;~~

130.31 (9) ~~assist the Minnesota Comprehensive Health Association in health care purchasing~~
130.32 ~~strategies;~~

131.1 ~~(10) convene medical directors of agencies engaged in health care purchasing for advice,~~
131.2 ~~collaboration, and exploring possible synergies;~~

131.3 ~~(11)~~ (4) contact and participate with other relevant health care task forces, study activities,
131.4 and similar efforts with regard to health care performance measurement and
131.5 performance-based purchasing; and

131.6 ~~(12)~~ (5) assist in seeking external funding through appropriate grants or other funding
131.7 opportunities and may administer grants and externally funded projects.

131.8 Sec. 8. Minnesota Statutes 2020, section 62U.04, subdivision 4, is amended to read:

131.9 Subd. 4. **Encounter data.** (a) ~~Beginning July 1, 2009, and every six months thereafter,~~
131.10 All health plan companies and third-party administrators shall submit encounter data on a
131.11 monthly basis to a private entity designated by the commissioner of health. The data shall
131.12 be submitted in a form and manner specified by the commissioner subject to the following
131.13 requirements:

131.14 (1) the data must be de-identified data as described under the Code of Federal Regulations,
131.15 title 45, section 164.514;

131.16 (2) the data for each encounter must include an identifier for the patient's health care
131.17 home if the patient has selected a health care home and, for claims incurred on or after
131.18 January 1, 2019, data deemed necessary by the commissioner to uniquely identify claims
131.19 in the individual health insurance market; and

131.20 (3) except for the identifier described in clause (2), the data must not include information
131.21 that is not included in a health care claim or equivalent encounter information transaction
131.22 that is required under section 62J.536.

131.23 (b) The commissioner or the commissioner's designee shall only use the data submitted
131.24 under paragraph (a) to carry out the commissioner's responsibilities in this section, including
131.25 supplying the data to providers so they can verify their results of the peer grouping process
131.26 consistent with the recommendations developed pursuant to subdivision 3c, paragraph (d),
131.27 and adopted by the commissioner and, if necessary, submit comments to the commissioner
131.28 or initiate an appeal.

131.29 (c) Data on providers collected under this subdivision are private data on individuals or
131.30 nonpublic data, as defined in section 13.02. Notwithstanding the definition of summary data
131.31 in section 13.02, subdivision 19, summary data prepared under this subdivision may be
131.32 derived from nonpublic data. The commissioner or the commissioner's designee shall

132.1 establish procedures and safeguards to protect the integrity and confidentiality of any data
132.2 that it maintains.

132.3 (d) The commissioner or the commissioner's designee shall not publish analyses or
132.4 reports that identify, or could potentially identify, individual patients.

132.5 (e) The commissioner shall compile summary information on the data submitted under
132.6 this subdivision. The commissioner shall work with its vendors to assess the data submitted
132.7 in terms of compliance with the data submission requirements and the completeness of the
132.8 data submitted by comparing the data with summary information compiled by the
132.9 commissioner and with established and emerging data quality standards to ensure data
132.10 quality.

132.11 Sec. 9. Minnesota Statutes 2020, section 62U.04, subdivision 5, is amended to read:

132.12 Subd. 5. **Pricing data.** (a) ~~Beginning July 1, 2009, and annually on January 1 thereafter,~~
132.13 All health plan companies and third-party administrators shall submit, on a monthly basis,
132.14 data on their contracted prices with health care providers to a private entity designated by
132.15 the commissioner of health for the purposes of performing the analyses required under this
132.16 subdivision. The data shall be submitted in the form and manner specified by the
132.17 commissioner of health.

132.18 (b) The commissioner or the commissioner's designee shall only use the data submitted
132.19 under this subdivision to carry out the commissioner's responsibilities under this section,
132.20 including supplying the data to providers so they can verify their results of the peer grouping
132.21 process consistent with the recommendations developed pursuant to subdivision 3c, paragraph
132.22 (d), and adopted by the commissioner and, if necessary, submit comments to the
132.23 commissioner or initiate an appeal.

132.24 (c) Data collected under this subdivision are nonpublic data as defined in section 13.02.
132.25 Notwithstanding the definition of summary data in section 13.02, subdivision 19, summary
132.26 data prepared under this section may be derived from nonpublic data. The commissioner
132.27 shall establish procedures and safeguards to protect the integrity and confidentiality of any
132.28 data that it maintains.

132.29 Sec. 10. Minnesota Statutes 2020, section 103H.201, subdivision 1, is amended to read:

132.30 Subdivision 1. **Procedure.** (a) If groundwater quality monitoring results show that there
132.31 is a degradation of groundwater, the commissioner of health may promulgate health risk
132.32 limits under subdivision 2 for substances degrading the groundwater.

133.1 (b) Health risk limits shall be determined by two methods depending on their toxicological
133.2 end point.

133.3 (c) For systemic toxicants that are not carcinogens, the adopted health risk limits shall
133.4 be derived using United States Environmental Protection Agency risk assessment methods
133.5 using a reference dose, a drinking water equivalent, and a relative source contribution factor.

133.6 (d) For toxicants that are known or probable carcinogens, the adopted health risk limits
133.7 shall be derived from a quantitative estimate of the chemical's carcinogenic potency published
133.8 by the United States Environmental Protection Agency ~~and~~ or determined by the
133.9 commissioner to have undergone thorough scientific review.

133.10 Sec. 11. [144.064] THE VIVIAN ACT.

133.11 Subdivision 1. Short title. This section shall be known and may be cited as the "Vivian
133.12 Act."

133.13 Subd. 2. Definitions. For purposes of this section, the following terms have the meanings
133.14 given them:

133.15 (1) "CMV" means the human herpesvirus cytomegalovirus, also called HCMV, human
133.16 herpesvirus 5, and HHV-5;

133.17 (2) "commissioner" means the commissioner of health;

133.18 (3) "congenital CMV" means the transmission of a CMV infection from a pregnant
133.19 mother to her fetus; and

133.20 (4) "health care practitioner" means a health care professional who provides prenatal or
133.21 postnatal care or care to infants.

133.22 Subd. 3. Commissioner duties. (a) The commissioner shall make available to health
133.23 care practitioners, women who may become pregnant, expectant parents, and parents of
133.24 infants up-to-date and evidence-based information about congenital CMV that has been
133.25 reviewed by experts with knowledge of the disease. The information shall include the
133.26 following:

133.27 (1) the recommendation to consider testing for congenital CMV if the parent or legal
133.28 guardian of the infant elected not to have newborn screening performed under section
133.29 144.125, the infant failed a newborn hearing screening, or pregnancy history suggests
133.30 increased risk for congenital CMV infection;

133.31 (2) the incidence of CMV;

134.1 (3) the transmission of CMV to pregnant women and women who may become pregnant;

134.2 (4) birth defects caused by congenital CMV;

134.3 (5) available preventative measures to avoid the infection of women who are pregnant

134.4 or may become pregnant; and

134.5 (6) resources available for families of children born with congenital CMV.

134.6 (b) The commissioner shall follow existing department practice, inclusive of community

134.7 engagement, to ensure that the information in paragraph (a) is culturally and linguistically

134.8 appropriate for all recipients.

134.9 (c) The commissioner shall establish an outreach program to:

134.10 (1) educate women who may become pregnant, expectant parents, and parents of infants

134.11 about CMV; and

134.12 (2) raise awareness for CMV among health care practitioners.

134.13 (d) The Advisory Committee on Heritable and Congenital Disorders established under

134.14 section 144.1255 shall review congenital CMV for inclusion on the list of tests to be

134.15 performed under section 144.125. If the committee recommends and the commissioner

134.16 approves the recommendation of adding congenital CMV to the newborn screening panel,

134.17 the commissioner shall publish the addition in the State Register and the per specimen fee

134.18 for screening under section 144.125, subdivision 1, paragraph (c), shall be increased by

134.19 \$43, for a total of \$220 per specimen, effective upon publication in the State Register.

134.20 Sec. 12. Minnesota Statutes 2020, section 144.0724, subdivision 1, is amended to read:

134.21 Subdivision 1. **Resident reimbursement case mix classifications.** The commissioner

134.22 of health shall establish resident reimbursement case mix classifications based upon the

134.23 assessments of residents of nursing homes and boarding care homes conducted under this

134.24 section and according to section 256R.17.

134.25 Sec. 13. Minnesota Statutes 2020, section 144.0724, subdivision 2, is amended to read:

134.26 Subd. 2. **Definitions.** For purposes of this section, the following terms have the meanings

134.27 given.

134.28 (a) "Assessment reference date" or "ARD" means the specific end point for look-back

134.29 periods in the MDS assessment process. This look-back period is also called the observation

134.30 or assessment period.

135.1 (b) "Case mix index" means the weighting factors assigned to the RUG-IV classifications.

135.2 (c) "Index maximization" means classifying a resident who could be assigned to more
135.3 than one category, to the category with the highest case mix index.

135.4 (d) "Minimum Data Set" or "MDS" means a core set of screening, clinical assessment,
135.5 and functional status elements, that include common definitions and coding categories
135.6 specified by the Centers for Medicare and Medicaid Services and designated by the
135.7 ~~Minnesota~~ Department of Health.

135.8 (e) "Representative" means a person who is the resident's guardian or conservator, the
135.9 person authorized to pay the nursing home expenses of the resident, a representative of the
135.10 Office of Ombudsman for Long-Term Care whose assistance has been requested, or any
135.11 other individual designated by the resident.

135.12 (f) "Resource utilization groups" or "RUG" means the system for grouping a nursing
135.13 facility's residents according to their clinical and functional status identified in data supplied
135.14 by the facility's Minimum Data Set.

135.15 (g) "Activities of daily living" ~~means grooming,~~ includes personal hygiene, dressing,
135.16 bathing, transferring, bed mobility, positioning, locomotion, eating, and toileting.

135.17 (h) "Nursing facility level of care determination" means the assessment process that
135.18 results in a determination of a resident's or prospective resident's need for nursing facility
135.19 level of care as established in subdivision 11 for purposes of medical assistance payment
135.20 of long-term care services for:

135.21 (1) nursing facility services under section 256B.434 or chapter 256R;

135.22 (2) elderly waiver services under chapter 256S;

135.23 (3) CADI and BI waiver services under section 256B.49; and

135.24 (4) state payment of alternative care services under section 256B.0913.

135.25 Sec. 14. Minnesota Statutes 2020, section 144.0724, subdivision 3a, is amended to read:

135.26 Subd. 3a. **Resident reimbursement case mix classifications beginning January 1,**
135.27 **2012.** (a) Beginning January 1, 2012, resident reimbursement case mix classifications shall
135.28 be based on the Minimum Data Set, version 3.0 assessment instrument, or its successor
135.29 version mandated by the Centers for Medicare and Medicaid Services that nursing facilities
135.30 are required to complete for all residents. The commissioner of health shall establish resident
135.31 classifications according to the RUG-IV, 48 group, resource utilization groups. Resident
135.32 classification must be established based on the individual items on the Minimum Data Set,

136.1 which must be completed according to the Long Term Care Facility Resident Assessment
136.2 Instrument User's Manual Version 3.0 or its successor issued by the Centers for Medicare
136.3 and Medicaid Services.

136.4 (b) Each resident must be classified based on the information from the Minimum Data
136.5 Set according to general categories ~~as defined in the Case Mix Classification Manual for~~
136.6 ~~Nursing Facilities~~ issued by the Minnesota Department of Health.

136.7 Sec. 15. Minnesota Statutes 2020, section 144.0724, subdivision 5, is amended to read:

136.8 Subd. 5. **Short stays.** (a) A facility must submit to the commissioner of health an
136.9 admission assessment for all residents who stay in the facility 14 days or less, unless the
136.10 resident is admitted and discharged from the facility on the same day, in which case the
136.11 admission assessment is not required. When an admission assessment is not submitted, the
136.12 case mix classification shall be the rate with a case mix index of 1.0.

136.13 (b) Notwithstanding the admission assessment requirements of paragraph (a), a facility
136.14 may elect to accept a short stay rate with a case mix index of 1.0 for all facility residents
136.15 who stay 14 days or less in lieu of submitting an admission assessment. Facilities shall make
136.16 this election annually.

136.17 (c) Nursing facilities must elect one of the options described in paragraphs (a) and (b)
136.18 by reporting to the commissioner of health, as prescribed by the commissioner. The election
136.19 is effective on July 1 each year.

136.20 Sec. 16. Minnesota Statutes 2020, section 144.0724, subdivision 7, is amended to read:

136.21 Subd. 7. **Notice of resident reimbursement case mix classification.** (a) The
136.22 commissioner of health shall provide to a nursing facility a notice for each resident of the
136.23 ~~reimbursement~~ classification established under subdivision 1. The notice must inform the
136.24 resident of the case mix classification ~~that was~~ assigned, the opportunity to review the
136.25 documentation supporting the classification, the opportunity to obtain clarification from the
136.26 commissioner, and the opportunity to request a reconsideration of the classification and the
136.27 address and telephone number of the Office of Ombudsman for Long-Term Care. The
136.28 commissioner must transmit the notice of resident classification by electronic means to the
136.29 nursing facility. ~~A~~ The nursing facility is responsible for the distribution of the notice to
136.30 each resident, ~~to the person responsible for the payment of the resident's nursing home~~
136.31 ~~expenses, or to another person designated by the resident~~ or the resident's representative.
136.32 This notice must be distributed within three ~~working~~ business days after the facility's receipt
136.33 ~~of the electronic file of notice of case mix classifications from the commissioner of health.~~

137.1 (b) If a facility submits a ~~modification to the most recent assessment used to establish~~
 137.2 ~~a case mix classification conducted under subdivision 3 that results~~ modifying assessment
 137.3 resulting in a change in the case mix classification, the facility ~~shall give~~ must provide a
 137.4 written notice to the resident or the resident's representative about regarding the item or
 137.5 items that was were modified and the reason for the modification modifications. The notice
 137.6 ~~of modified assessment may~~ must be provided ~~at the same time that the resident or resident's~~
 137.7 ~~representative is provided the resident's modified notice of classification~~ within three business
 137.8 days after distribution of the resident case mix classification notice.

137.9 Sec. 17. Minnesota Statutes 2020, section 144.0724, subdivision 8, is amended to read:

137.10 Subd. 8. **Request for reconsideration of resident classifications.** (a) The resident, or
 137.11 resident's representative, or the nursing facility or boarding care home may request that the
 137.12 commissioner of health reconsider the assigned reimbursement case mix classification and
 137.13 any item or items changed during the audit process. The request for reconsideration must
 137.14 be submitted in writing to the commissioner ~~within 30 days of the day the resident or the~~
 137.15 ~~resident's representative receives the resident classification notice~~ of health.

137.16 (b) For reconsideration requests initiated by the resident or the resident's representative:

137.17 (1) The resident or the resident's representative must submit in writing a reconsideration
 137.18 request to the facility administrator within 30 days of receipt of the resident classification
 137.19 notice. The written request for reconsideration must include the ~~name of the resident, the~~
 137.20 ~~name and address of the facility in which the resident resides, the reasons for the~~
 137.21 ~~reconsideration, and documentation supporting the request. The documentation accompanying~~
 137.22 ~~the reconsideration request is limited to a copy of the MDS that determined the classification~~
 137.23 ~~and other documents that would support or change the MDS findings.~~

137.24 (2) Within three business days of receiving the reconsideration request, the nursing
 137.25 facility must submit to the commissioner of health a completed reconsideration request
 137.26 form, a copy of the resident's or resident's representative's written request, and all supporting
 137.27 documentation used to complete the assessment being considered. If the facility fails to
 137.28 provide the required information, the reconsideration will be completed with the information
 137.29 submitted and the facility cannot make further reconsideration requests on this classification.

137.30 ~~(b)~~ (3) Upon written request and within three business days, the nursing facility must
 137.31 give the resident or the resident's representative a copy of the assessment form being
 137.32 reconsidered and the other all supporting documentation that was given to the commissioner
 137.33 of health used to support complete the assessment findings. ~~The nursing facility shall also~~
 137.34 ~~provide access to and a copy of other information from the resident's record that has been~~

138.1 ~~requested by or on behalf of the resident to support a resident's reconsideration request. A~~
138.2 ~~copy of any requested material must be provided within three working days of receipt of a~~
138.3 ~~written request for the information.~~ Notwithstanding any law to the contrary, the facility
138.4 may not charge a fee for providing copies of the requested documentation. If a facility fails
138.5 to provide the ~~material~~ required documents within this time, it is subject to the issuance of
138.6 a correction order and penalty assessment under sections 144.653 and 144A.10.
138.7 Notwithstanding those sections, any correction order issued under this subdivision must
138.8 require that the nursing facility immediately comply with the request for information, and
138.9 ~~that~~ as of the date of the issuance of the correction order, the facility shall forfeit to the state
138.10 a \$100 fine for the first day of noncompliance, and an increase in the \$100 fine by \$50
138.11 increments for each day the noncompliance continues.

138.12 ~~(c) in addition to the information required under paragraphs (a) and (b), a reconsideration~~
138.13 ~~request from a nursing facility must contain the following information: (i) the date the~~
138.14 ~~reimbursement classification notices were received by the facility; (ii) the date the~~
138.15 ~~classification notices were distributed to the resident or the resident's representative; and~~
138.16 ~~(iii) For reconsideration requests initiated by the facility:~~

138.17 (1) The facility is required to inform the resident or the resident's representative in writing
138.18 that a reconsideration of the resident's case mix classification is being requested. The notice
138.19 must inform the resident or the resident's representative:

138.20 (i) of the date and reason for the reconsideration request;

138.21 (ii) of the potential for a classification and subsequent rate change;

138.22 (iii) of the extent of the potential rate change;

138.23 (iv) that copies of the request and supporting documentation are available for review;

138.24 and

138.25 (v) that the resident or the resident's representative has the right to request a
138.26 reconsideration.

138.27 (2) Within 30 days of receipt of the audit exit report or resident classification notice, the
138.28 facility must submit to the commissioner of health a completed reconsideration request
138.29 form, all supporting documentation used to complete the assessment being reconsidered,
138.30 and a copy of a the notice sent to informing the resident or to the resident's representative.
138.31 ~~This notice must inform the resident or the resident's representative that a reconsideration~~
138.32 ~~of the resident's classification is being requested, the reason for the request, that the resident's~~
138.33 ~~rate will change if the request is approved by the commissioner, the extent of the change,~~

139.1 ~~that copies of the facility's request and supporting documentation are available for review,~~
139.2 ~~and that the resident also has the right to request a reconsideration.~~

139.3 (3) If the facility fails to provide the required information ~~listed in item (iii) with the~~
139.4 ~~reconsideration request, the commissioner may request that the facility provide the~~
139.5 ~~information within 14 calendar days,~~ the reconsideration request must may be denied if the
139.6 ~~information is then not provided,~~ and the facility may not make further reconsideration
139.7 requests on ~~that specific reimbursement~~ this classification.

139.8 (d) Reconsideration by the commissioner must be made by individuals not involved in
139.9 reviewing the assessment, audit, or reconsideration that established the disputed classification.
139.10 The reconsideration must be based upon the assessment that determined the classification
139.11 and upon the information provided to the commissioner of health under paragraphs (a) ~~and~~
139.12 ~~(b)~~ (c). If necessary for evaluating the reconsideration request, the commissioner may
139.13 conduct on-site reviews. Within 15 ~~working~~ business days of receiving the request for
139.14 reconsideration, the commissioner shall affirm or modify the original resident classification.
139.15 The original classification must be modified if the commissioner determines that the
139.16 assessment resulting in the classification did not accurately reflect characteristics of the
139.17 resident at the time of the assessment. ~~The resident and the nursing facility or boarding care~~
139.18 ~~home shall be notified within five working days after the decision is made.~~ The commissioner
139.19 must transmit the reconsideration classification notice by electronic means to the nursing
139.20 facility. The nursing facility is responsible for the distribution of the notice to the resident
139.21 or the resident's representative. The notice must be distributed by the nursing facility within
139.22 three business days after receipt. A decision by the commissioner under this subdivision is
139.23 the final administrative decision of the agency for the party requesting reconsideration.

139.24 (e) The ~~resident~~ case mix classification established by the commissioner shall be the
139.25 classification ~~that~~ which applies to the resident while the request for reconsideration is
139.26 pending. If a request for reconsideration applies to an assessment used to determine nursing
139.27 facility level of care under subdivision 4, paragraph (c), the resident shall continue to be
139.28 eligible for nursing facility level of care while the request for reconsideration is pending.

139.29 (f) The commissioner may request additional documentation regarding a reconsideration
139.30 necessary to make an accurate reconsideration determination.

139.31 Sec. 18. Minnesota Statutes 2020, section 144.0724, subdivision 9, is amended to read:

139.32 Subd. 9. **Audit authority.** (a) The commissioner shall audit the accuracy of resident
139.33 assessments performed under section 256R.17 through any of the following: desk audits;
139.34 on-site review of residents and their records; and interviews with staff, residents, or residents'

140.1 families. The commissioner shall reclassify a resident if the commissioner determines that
140.2 the resident was incorrectly classified.

140.3 (b) The commissioner is authorized to conduct on-site audits on an unannounced basis.

140.4 (c) A facility must grant the commissioner access to examine the medical records relating
140.5 to the resident assessments selected for audit under this subdivision. The commissioner may
140.6 also observe and speak to facility staff and residents.

140.7 (d) The commissioner shall consider documentation under the time frames for coding
140.8 items on the minimum data set as set out in the Long-Term Care Facility Resident Assessment
140.9 Instrument User's Manual published by the Centers for Medicare and Medicaid Services.

140.10 (e) The commissioner shall develop an audit selection procedure that includes the
140.11 following factors:

140.12 (1) Each facility shall be audited annually. If a facility has two successive audits in which
140.13 the percentage of change is five percent or less and the facility has not been the subject of
140.14 a special audit in the past 36 months, the facility may be audited biannually. A stratified
140.15 sample of 15 percent, with a minimum of ten assessments, of the most current assessments
140.16 shall be selected for audit. If more than 20 percent of the RUG-IV classifications are changed
140.17 as a result of the audit, the audit shall be expanded to a second 15 percent sample, with a
140.18 minimum of ten assessments. If the total change between the first and second samples is
140.19 35 percent or greater, the commissioner may expand the audit to all of the remaining
140.20 assessments.

140.21 (2) If a facility qualifies for an expanded audit, the commissioner may audit the facility
140.22 again within six months. If a facility has two expanded audits within a 24-month period,
140.23 that facility will be audited at least every six months for the next 18 months.

140.24 (3) The commissioner may conduct special audits if the commissioner determines that
140.25 circumstances exist that could alter or affect the validity of case mix classifications of
140.26 residents. These circumstances include, but are not limited to, the following:

140.27 (i) frequent changes in the administration or management of the facility;

140.28 (ii) an unusually high percentage of residents in a specific case mix classification;

140.29 (iii) a high frequency in the number of reconsideration requests received from a facility;

140.30 (iv) frequent adjustments of case mix classifications as the result of reconsiderations or
140.31 audits;

140.32 (v) a criminal indictment alleging provider fraud;

- 141.1 (vi) other similar factors that relate to a facility's ability to conduct accurate assessments;
- 141.2 (vii) an atypical pattern of scoring minimum data set items;
- 141.3 (viii) nonsubmission of assessments;
- 141.4 (ix) late submission of assessments; or
- 141.5 (x) a previous history of audit changes of 35 percent or greater.

141.6 (f) ~~Within 15 working days of completing the audit process, the commissioner shall~~
141.7 ~~make available electronically the results of the audit to the facility. If the results of the audit~~
141.8 ~~reflect a change in the resident's case mix classification, a case mix classification notice~~
141.9 ~~will be made available electronically to the facility, using the procedure in subdivision 7,~~
141.10 ~~paragraph (a). The notice must contain the resident's classification and a statement informing~~
141.11 ~~the resident, the resident's authorized representative, and the facility of their right to review~~
141.12 ~~the commissioner's documents supporting the classification and to request a reconsideration~~
141.13 ~~of the classification. This notice must also include the address and telephone number of the~~
141.14 ~~Office of Ombudsman for Long-Term Care. If the audit results in a case mix classification~~
141.15 ~~change, the commissioner must transmit the audit classification notice by electronic means~~
141.16 ~~to the nursing facility within 15 business days of completing an audit. The nursing facility~~
141.17 ~~is responsible for distribution of the notice to each resident or the resident's representative.~~
141.18 ~~This notice must be distributed by the nursing facility within three business days after~~
141.19 ~~receipt. The notice must inform the resident of the case mix classification assigned, the~~
141.20 ~~opportunity to review the documentation supporting the classification, the opportunity to~~
141.21 ~~obtain clarification from the commissioner, the opportunity to request a reconsideration of~~
141.22 ~~the classification, and the address and telephone number of the Office of Ombudsman for~~
141.23 ~~Long-Term Care.~~

141.24 Sec. 19. Minnesota Statutes 2020, section 144.0724, subdivision 12, is amended to read:

141.25 Subd. 12. **Appeal of nursing facility level of care determination.** (a) A resident or
141.26 prospective resident whose level of care determination results in a denial of long-term care
141.27 services can appeal the determination as outlined in section 256B.0911, subdivision 3a,
141.28 paragraph (h), clause (9).

141.29 (b) The commissioner of human services shall ensure that notice of changes in eligibility
141.30 due to a nursing facility level of care determination is provided to each affected recipient
141.31 or the recipient's guardian at least 30 days before the effective date of the change. The notice
141.32 shall include the following information:

- 141.33 (1) how to obtain further information on the changes;

142.1 (2) how to receive assistance in obtaining other services;

142.2 (3) a list of community resources; and

142.3 (4) appeal rights.

142.4 ~~A recipient who meets the criteria in section 256B.0922, subdivision 2, paragraph (a), clauses~~
142.5 ~~(1) and (2), may request continued services pending appeal within the time period allowed~~
142.6 ~~to request an appeal under section 256.045, subdivision 3, paragraph (i). This paragraph is~~
142.7 ~~in effect for appeals filed between January 1, 2015, and December 31, 2016.~~

142.8 Sec. 20. Minnesota Statutes 2020, section 144.125, subdivision 1, is amended to read:

142.9 Subdivision 1. **Duty to perform testing.** (a) It is the duty of (1) the administrative officer
142.10 or other person in charge of each institution caring for infants 28 days or less of age, (2) the
142.11 person required in pursuance of the provisions of section 144.215, to register the birth of a
142.12 child, or (3) the nurse midwife or midwife in attendance at the birth, to arrange to have
142.13 administered to every infant or child in its care tests for heritable and congenital disorders
142.14 according to subdivision 2 and rules prescribed by the state commissioner of health.

142.15 (b) Testing, recording of test results, reporting of test results, and follow-up of infants
142.16 with heritable congenital disorders, including hearing loss detected through the early hearing
142.17 detection and intervention program in section 144.966, shall be performed at the times and
142.18 in the manner prescribed by the commissioner of health.

142.19 (c) The fee to support the newborn screening program, including tests administered
142.20 under this section and section 144.966, shall be ~~\$135~~ \$177 per specimen. This fee amount
142.21 shall be deposited in the state treasury and credited to the state government special revenue
142.22 fund.

142.23 (d) The fee to offset the cost of the support services provided under section 144.966,
142.24 subdivision 3a, shall be \$15 per specimen. This fee shall be deposited in the state treasury
142.25 and credited to the general fund.

142.26 Sec. 21. **[144.1461] DIGNITY IN PREGNANCY AND CHILDBIRTH.**

142.27 Subdivision 1. **Citation.** This section may be cited as the "Dignity in Pregnancy and
142.28 Childbirth Act."

142.29 Subd. 2. **Continuing education.** (a) Hospitals with obstetric care and birth centers must
142.30 develop or access a continuing education curriculum and must make available to direct care
142.31 employees and contractors who routinely care for patients who are pregnant or postpartum

- 143.1 a continuing education course on anti-racism training and implicit bias. The continuing
143.2 education curriculum and course must:
- 143.3 (1) be evidence-based;
- 143.4 (2) to the extent practicable, conform with standards for continuing education established
143.5 by the applicable health-related licensing boards; and
- 143.6 (3) include, at a minimum, the following elements:
- 143.7 (i) education aimed at identifying personal, interpersonal, institutional, structural, and
143.8 cultural barriers to inclusion;
- 143.9 (ii) identifying and implementing corrective measures to promote anti-racism practices
143.10 and decrease implicit bias at the interpersonal and institutional levels, including the facility's
143.11 ongoing policies and practices;
- 143.12 (iii) providing information on the ongoing effects of historical and contemporary
143.13 exclusion and oppression of Black and Indigenous communities with the greatest health
143.14 disparities in maternal and infant mortality and morbidity;
- 143.15 (iv) providing information on and discussion of health disparities in the perinatal health
143.16 care field, including how systemic racism and implicit bias have different impacts on health
143.17 outcomes for different racial and ethnic communities; and
- 143.18 (v) soliciting perspectives of diverse local constituency groups and experts on racial,
143.19 identity, cultural, and provider-community relationship issues.
- 143.20 (b) In addition to the initial continuing education course made available under paragraph
143.21 (a), hospitals with obstetric care and birth centers must make available an annual refresher
143.22 course that reflects current trends on race, culture, identity, and anti-racism principles and
143.23 institutional implicit bias.
- 143.24 (c) The commissioner of health, in coordination with the Minnesota Hospital Association,
143.25 shall monitor implementation of this subdivision by hospitals with obstetric care and birth
143.26 centers and may inspect course records or require reports from hospitals with obstetric care
143.27 and birth centers on the continuing education curricula used and courses offered under this
143.28 subdivision. Initial continuing education courses under this subdivision must be made
143.29 available by December 31, 2022.
- 143.30 (d) Hospitals with obstetric care and birth centers must provide a certificate of course
143.31 completion to another facility or to a course attendee upon request. A facility may accept

144.1 a course certificate from another facility for a health care provider who works at more than
144.2 one facility.

144.3 Subd. 3. **Midwife and doula care.** (a) In order to improve maternal and infant health
144.4 and birth outcomes in groups with the most significant disparities, including Black
144.5 communities, Indigenous communities, and other communities of color; rural communities;
144.6 and low-income families, the commissioner of health, in partnership with patient groups
144.7 and culturally based community organizations, shall:

144.8 (1) identify barriers to obtaining midwife and doula services for groups with the most
144.9 significant disparities in maternal and infant mortality and morbidity, and develop procedures
144.10 and services designed to increase the availability of midwife and doula services for these
144.11 groups;

144.12 (2) promote racial, ethnic, and language diversity in the midwife and doula workforce
144.13 that better aligns with the childbearing populations in groups with the most significant
144.14 disparities in maternal and infant mortality and morbidity; and

144.15 (3) explore ways to ensure that midwife and doula training and education are culturally
144.16 responsive and tailored to the specific needs of groups with the most significant disparities
144.17 in maternal and infant mortality and morbidity, including trauma-informed care, maternal
144.18 mood disorders, intimate partner violence, and implicit bias and anti-racism.

144.19 (b) For purposes of this subdivision, midwife and doula services include traditional
144.20 midwife services as defined in section 147D.03; nurse midwife services as defined in section
144.21 148.171, subdivision 10; and doula services as defined in section 148.995, subdivision 4;
144.22 and the midwife and doula workforce includes traditional midwives, nurse midwives, and
144.23 certified doulas.

144.24 Sec. 22. Minnesota Statutes 2020, section 144.1501, subdivision 1, is amended to read:

144.25 Subdivision 1. **Definitions.** (a) For purposes of this section, the following definitions
144.26 apply.

144.27 (b) "Advanced dental therapist" means an individual who is licensed as a dental therapist
144.28 under section 150A.06, and who is certified as an advanced dental therapist under section
144.29 150A.106.

144.30 (c) "Alcohol and drug counselor" means an individual who is licensed as an alcohol and
144.31 drug counselor under chapter 148F.

145.1 ~~(e)~~ (d) "Dental therapist" means an individual who is licensed as a dental therapist under
145.2 section 150A.06.

145.3 ~~(d)~~ (e) "Dentist" means an individual who is licensed to practice dentistry.

145.4 ~~(e)~~ (f) "Designated rural area" means a statutory and home rule charter city or township
145.5 that is outside the seven-county metropolitan area as defined in section 473.121, subdivision
145.6 2, excluding the cities of Duluth, Mankato, Moorhead, Rochester, and St. Cloud.

145.7 ~~(f)~~ (g) "Emergency circumstances" means those conditions that make it impossible for
145.8 the participant to fulfill the service commitment, including death, total and permanent
145.9 disability, or temporary disability lasting more than two years.

145.10 ~~(g)~~ (h) "Mental health professional" means an individual providing clinical services in
145.11 the treatment of mental illness who is qualified in at least one of the ways specified in section
145.12 245.462, subdivision 18.

145.13 ~~(h)~~ (i) "Medical resident" means an individual participating in a medical residency in
145.14 family practice, internal medicine, obstetrics and gynecology, pediatrics, or psychiatry.

145.15 ~~(i)~~ (j) "Midlevel practitioner" means a nurse practitioner, nurse-midwife, nurse anesthetist,
145.16 advanced clinical nurse specialist, or physician assistant.

145.17 ~~(j)~~ (k) "Nurse" means an individual who has completed training and received all licensing
145.18 or certification necessary to perform duties as a licensed practical nurse or registered nurse.

145.19 ~~(k)~~ (l) "Nurse-midwife" means a registered nurse who has graduated from a program of
145.20 study designed to prepare registered nurses for advanced practice as nurse-midwives.

145.21 ~~(l)~~ (m) "Nurse practitioner" means a registered nurse who has graduated from a program
145.22 of study designed to prepare registered nurses for advanced practice as nurse practitioners.

145.23 ~~(m)~~ (n) "Pharmacist" means an individual with a valid license issued under chapter 151.

145.24 ~~(n)~~ (o) "Physician" means an individual who is licensed to practice medicine in the areas
145.25 of family practice, internal medicine, obstetrics and gynecology, pediatrics, or psychiatry.

145.26 ~~(o)~~ (p) "Physician assistant" means a person licensed under chapter 147A.

145.27 ~~(p)~~ (q) "Public health nurse" means a registered nurse licensed in Minnesota who has
145.28 obtained a registration certificate as a public health nurse from the Board of Nursing in
145.29 accordance with Minnesota Rules, chapter 6316.

146.1 ~~(q)~~ (r) "Qualified educational loan" means a government, commercial, or foundation
146.2 loan for actual costs paid for tuition, reasonable education expenses, and reasonable living
146.3 expenses related to the graduate or undergraduate education of a health care professional.

146.4 ~~(t)~~ (s) "Underserved urban community" means a Minnesota urban area or population
146.5 included in the list of designated primary medical care health professional shortage areas
146.6 (HPSAs), medically underserved areas (MUAs), or medically underserved populations
146.7 (MUPs) maintained and updated by the United States Department of Health and Human
146.8 Services.

146.9 **EFFECTIVE DATE.** This section is effective July 1, 2025.

146.10 Sec. 23. Minnesota Statutes 2020, section 144.1501, subdivision 2, is amended to read:

146.11 Subd. 2. **Creation of account.** (a) A health professional education loan forgiveness
146.12 program account is established. The commissioner of health shall use money from the
146.13 account to establish a loan forgiveness program:

146.14 (1) for medical residents ~~and~~, mental health professionals, and alcohol and drug
146.15 counselors agreeing to practice in designated rural areas or underserved urban communities
146.16 or specializing in the area of pediatric psychiatry;

146.17 (2) for midlevel practitioners agreeing to practice in designated rural areas or to teach
146.18 at least 12 credit hours, or 720 hours per year in the nursing field in a postsecondary program
146.19 at the undergraduate level or the equivalent at the graduate level;

146.20 (3) for nurses who agree to practice in a Minnesota nursing home; an intermediate care
146.21 facility for persons with developmental disability; a hospital if the hospital owns and operates
146.22 a Minnesota nursing home and a minimum of 50 percent of the hours worked by the nurse
146.23 is in the nursing home; a housing with services establishment as defined in section 144D.01,
146.24 subdivision 4; or for a home care provider as defined in section 144A.43, subdivision 4; or
146.25 agree to teach at least 12 credit hours, or 720 hours per year in the nursing field in a
146.26 postsecondary program at the undergraduate level or the equivalent at the graduate level;

146.27 (4) for other health care technicians agreeing to teach at least 12 credit hours, or 720
146.28 hours per year in their designated field in a postsecondary program at the undergraduate
146.29 level or the equivalent at the graduate level. The commissioner, in consultation with the
146.30 Healthcare Education-Industry Partnership, shall determine the health care fields where the
146.31 need is the greatest, including, but not limited to, respiratory therapy, clinical laboratory
146.32 technology, radiologic technology, and surgical technology;

147.1 (5) for pharmacists, advanced dental therapists, dental therapists, and public health nurses
147.2 who agree to practice in designated rural areas; and

147.3 (6) for dentists agreeing to deliver at least 25 percent of the dentist's yearly patient
147.4 encounters to state public program enrollees or patients receiving sliding fee schedule
147.5 discounts through a formal sliding fee schedule meeting the standards established by the
147.6 United States Department of Health and Human Services under Code of Federal Regulations,
147.7 title 42, section 51, chapter 303.

147.8 (b) Appropriations made to the account do not cancel and are available until expended,
147.9 except that at the end of each biennium, any remaining balance in the account that is not
147.10 committed by contract and not needed to fulfill existing commitments shall cancel to the
147.11 fund.

147.12 **EFFECTIVE DATE.** This section is effective July 1, 2025.

147.13 Sec. 24. Minnesota Statutes 2020, section 144.1501, subdivision 3, is amended to read:

147.14 Subd. 3. **Eligibility.** (a) To be eligible to participate in the loan forgiveness program, an
147.15 individual must:

147.16 (1) be a medical or dental resident; a licensed pharmacist; or be enrolled in a training or
147.17 education program to become a dentist, dental therapist, advanced dental therapist, mental
147.18 health professional, alcohol and drug counselor, pharmacist, public health nurse, midlevel
147.19 practitioner, registered nurse, or a licensed practical nurse. The commissioner may also
147.20 consider applications submitted by graduates in eligible professions who are licensed and
147.21 in practice; and

147.22 (2) submit an application to the commissioner of health.

147.23 (b) An applicant selected to participate must sign a contract to agree to serve a minimum
147.24 three-year full-time service obligation according to subdivision 2, which shall begin no later
147.25 than March 31 following completion of required training, with the exception of a nurse,
147.26 who must agree to serve a minimum two-year full-time service obligation according to
147.27 subdivision 2, which shall begin no later than March 31 following completion of required
147.28 training.

147.29 **EFFECTIVE DATE.** This section is effective July 1, 2025.

148.1 Sec. 25. Minnesota Statutes 2020, section 144.212, is amended by adding a subdivision
148.2 to read:

148.3 Subd. 12. **Homeless youth.** "Homeless youth" has the meaning given in section 256K.45,
148.4 subdivision 1a.

148.5 Sec. 26. Minnesota Statutes 2020, section 144.225, subdivision 2, is amended to read:

148.6 Subd. 2. **Data about births.** (a) Except as otherwise provided in this subdivision, data
148.7 pertaining to the birth of a child to a woman who was not married to the child's father when
148.8 the child was conceived nor when the child was born, including the original record of birth
148.9 and the certified vital record, are confidential data. At the time of the birth of a child to a
148.10 woman who was not married to the child's father when the child was conceived nor when
148.11 the child was born, the mother may designate demographic data pertaining to the birth as
148.12 public. Notwithstanding the designation of the data as confidential, it may be disclosed:

148.13 (1) to a parent or guardian of the child;

148.14 (2) to the child when the child is 16 years of age or older, except as provided in clause
148.15 (3);

148.16 (3) to the child if the child is a homeless youth;

148.17 ~~(3)~~ (4) under paragraph (b), (e), or (f); or

148.18 ~~(4)~~ (5) pursuant to a court order. For purposes of this section, a subpoena does not
148.19 constitute a court order.

148.20 (b) Unless the child is adopted, data pertaining to the birth of a child that are not accessible
148.21 to the public become public data if 100 years have elapsed since the birth of the child who
148.22 is the subject of the data, or as provided under section 13.10, whichever occurs first.

148.23 (c) If a child is adopted, data pertaining to the child's birth are governed by the provisions
148.24 relating to adoption records, including sections 13.10, subdivision 5; 144.218, subdivision
148.25 1; 144.2252; and 259.89.

148.26 (d) The name and address of a mother under paragraph (a) and the child's date of birth
148.27 may be disclosed to the county social services, tribal health department, or public health
148.28 member of a family services collaborative for purposes of providing services under section
148.29 124D.23.

148.30 (e) The commissioner of human services shall have access to birth records for:

148.31 (1) the purposes of administering medical assistance and the MinnesotaCare program;

149.1 (2) child support enforcement purposes; and

149.2 (3) other public health purposes as determined by the commissioner of health.

149.3 (f) Tribal child support programs shall have access to birth records for child support
149.4 enforcement purposes.

149.5 **Sec. 27. [144.2255] CERTIFIED BIRTH RECORD FOR HOMELESS YOUTH.**

149.6 **Subdivision 1. Application; certified birth record.** A subject of a birth record who is
149.7 a homeless youth in Minnesota or another state may apply to the state registrar or a local
149.8 issuance office for a certified birth record according to this section. The state registrar or
149.9 local issuance office shall issue a certified birth record or statement of no vital record found
149.10 to a subject of a birth record who submits:

149.11 (1) a completed application signed by the subject of the birth record;

149.12 (2) a statement that the subject of the birth record is a homeless youth, signed by the
149.13 subject of the birth record; and

149.14 (3) one of the following:

149.15 (i) a document of identity listed in Minnesota Rules, part 4601.2600, subpart 8, or, at
149.16 the discretion of the state registrar or local issuance office, Minnesota Rules, part 4601.2600,
149.17 subpart 9;

149.18 (ii) a statement that complies with Minnesota Rules, part 4601.2600, subparts 6 and 7;
149.19 or

149.20 (iii) a statement verifying that the subject of the birth record is a homeless youth that
149.21 complies with the requirements in subdivision 2 and is from an employee of a human services
149.22 agency that receives public funding to provide services to homeless youth, runaway youth,
149.23 youth with mental illness, or youth with substance use disorders; a school staff person who
149.24 provides services to homeless youth; or a school social worker.

149.25 **Subd. 2. Statement verifying subject is a homeless youth.** A statement verifying that
149.26 a subject of a birth record is a homeless youth must include:

149.27 (1) the following information regarding the individual providing the statement: first
149.28 name, middle name, if any, and last name; home or business address; telephone number, if
149.29 any; and e-mail address, if any;

149.30 (2) the first name, middle name, if any, and last name of the subject of the birth record;
149.31 and

150.1 (3) a statement specifying the relationship of the individual providing the statement to
150.2 the subject of the birth record and verifying that the subject of the birth record is a homeless
150.3 youth.

150.4 The individual providing the statement must also provide a copy of the individual's
150.5 employment identification.

150.6 Subd. 3. **Expiration; reissuance.** If a subject of a birth record obtains a certified birth
150.7 record under this section using the statement specified in subdivision 1, clause (3), item
150.8 (iii), the certified birth record issued shall expire six months after the date of issuance. Upon
150.9 expiration of the certified birth record, the subject of the birth record may surrender the
150.10 expired birth record to the state registrar or a local issuance office and obtain another birth
150.11 record. Each certified birth record obtained under this subdivision shall expire six months
150.12 after the date of issuance. If the subject of the birth record does not surrender the expired
150.13 birth record, the subject may apply for a certified birth record using the process in subdivision
150.14 1.

150.15 Subd. 4. **Data practices.** Data listed under subdivision 1, clauses (2) and (3), item (iii),
150.16 are private data on individuals.

150.17 **EFFECTIVE DATE.** This section is effective the day following final enactment for
150.18 applications for and the issuance of certified birth records on or after January 1, 2022.

150.19 Sec. 28. Minnesota Statutes 2020, section 144.226, is amended by adding a subdivision
150.20 to read:

150.21 Subd. 7. **Transaction fees.** The state registrar may charge and permit agents to charge
150.22 a convenience fee and a transaction fee for electronic transactions and transactions by
150.23 telephone or Internet, as well as the fees established under subdivisions 1 to 4. The
150.24 convenience fee may not exceed three percent of the cost of the charges for payment. The
150.25 state registrar may permit agents to charge and retain a transaction fee as payment agreed
150.26 upon under contract. When an electronic convenience fee or transaction fee is charged, the
150.27 agent charging the fee is required to post information on their web page informing individuals
150.28 of the fee. The information must be near the point of payment, clearly visible, include the
150.29 amount of the fee, and state: "This contracted agent is allowed by state law to charge a
150.30 convenience fee and transaction fee for this electronic transaction."

151.1 Sec. 29. Minnesota Statutes 2020, section 144.226, is amended by adding a subdivision
151.2 to read:

151.3 Subd. 8. **Birth record fees waived for homeless youth.** A subject of a birth record who
151.4 is a homeless youth shall not be charged any of the fees specified in this section for a certified
151.5 birth record or statement of no vital record found under section 144.2255.

151.6 **EFFECTIVE DATE.** This section is effective the day following final enactment for
151.7 applications for and the issuance of certified birth records on or after January 1, 2022.

151.8 Sec. 30. Minnesota Statutes 2020, section 144.551, subdivision 1, is amended to read:

151.9 Subdivision 1. **Restricted construction or modification.** (a) The following construction
151.10 or modification may not be commenced:

151.11 (1) any erection, building, alteration, reconstruction, modernization, improvement,
151.12 extension, lease, or other acquisition by or on behalf of a hospital that increases the bed
151.13 capacity of a hospital, relocates hospital beds from one physical facility, complex, or site
151.14 to another, or otherwise results in an increase or redistribution of hospital beds within the
151.15 state; and

151.16 (2) the establishment of a new hospital.

151.17 (b) This section does not apply to:

151.18 (1) construction or relocation within a county by a hospital, clinic, or other health care
151.19 facility that is a national referral center engaged in substantial programs of patient care,
151.20 medical research, and medical education meeting state and national needs that receives more
151.21 than 40 percent of its patients from outside the state of Minnesota;

151.22 (2) a project for construction or modification for which a health care facility held an
151.23 approved certificate of need on May 1, 1984, regardless of the date of expiration of the
151.24 certificate;

151.25 (3) a project for which a certificate of need was denied before July 1, 1990, if a timely
151.26 appeal results in an order reversing the denial;

151.27 (4) a project exempted from certificate of need requirements by Laws 1981, chapter 200,
151.28 section 2;

151.29 (5) a project involving consolidation of pediatric specialty hospital services within the
151.30 Minneapolis-St. Paul metropolitan area that would not result in a net increase in the number
151.31 of pediatric specialty hospital beds among the hospitals being consolidated;

152.1 (6) a project involving the temporary relocation of pediatric-orthopedic hospital beds to
152.2 an existing licensed hospital that will allow for the reconstruction of a new philanthropic,
152.3 pediatric-orthopedic hospital on an existing site and that will not result in a net increase in
152.4 the number of hospital beds. Upon completion of the reconstruction, the licenses of both
152.5 hospitals must be reinstated at the capacity that existed on each site before the relocation;

152.6 (7) the relocation or redistribution of hospital beds within a hospital building or
152.7 identifiable complex of buildings provided the relocation or redistribution does not result
152.8 in: (i) an increase in the overall bed capacity at that site; (ii) relocation of hospital beds from
152.9 one physical site or complex to another; or (iii) redistribution of hospital beds within the
152.10 state or a region of the state;

152.11 (8) relocation or redistribution of hospital beds within a hospital corporate system that
152.12 involves the transfer of beds from a closed facility site or complex to an existing site or
152.13 complex provided that: (i) no more than 50 percent of the capacity of the closed facility is
152.14 transferred; (ii) the capacity of the site or complex to which the beds are transferred does
152.15 not increase by more than 50 percent; (iii) the beds are not transferred outside of a federal
152.16 health systems agency boundary in place on July 1, 1983; ~~and~~ (iv) the relocation or
152.17 redistribution does not involve the construction of a new hospital building; and (v) the
152.18 transferred beds are used first to replace within the hospital corporate system the total number
152.19 of beds previously used in the closed facility site or complex for mental health services and
152.20 substance use disorder services. Only after the hospital corporate system has fulfilled the
152.21 requirements of this item may the remainder of the available capacity of the closed facility
152.22 site or complex be transferred for any other purpose;

152.23 (9) a construction project involving up to 35 new beds in a psychiatric hospital in Rice
152.24 County that primarily serves adolescents and that receives more than 70 percent of its
152.25 patients from outside the state of Minnesota;

152.26 (10) a project to replace a hospital or hospitals with a combined licensed capacity of
152.27 130 beds or less if: (i) the new hospital site is located within five miles of the current site;
152.28 and (ii) the total licensed capacity of the replacement hospital, either at the time of
152.29 construction of the initial building or as the result of future expansion, will not exceed 70
152.30 licensed hospital beds, or the combined licensed capacity of the hospitals, whichever is less;

152.31 (11) the relocation of licensed hospital beds from an existing state facility operated by
152.32 the commissioner of human services to a new or existing facility, building, or complex
152.33 operated by the commissioner of human services; from one regional treatment center site

153.1 to another; or from one building or site to a new or existing building or site on the same
153.2 campus;

153.3 (12) the construction or relocation of hospital beds operated by a hospital having a
153.4 statutory obligation to provide hospital and medical services for the indigent that does not
153.5 result in a net increase in the number of hospital beds, notwithstanding section 144.552, 27
153.6 beds, of which 12 serve mental health needs, may be transferred from Hennepin County
153.7 Medical Center to Regions Hospital under this clause;

153.8 (13) a construction project involving the addition of up to 31 new beds in an existing
153.9 nonfederal hospital in Beltrami County;

153.10 (14) a construction project involving the addition of up to eight new beds in an existing
153.11 nonfederal hospital in Otter Tail County with 100 licensed acute care beds;

153.12 (15) a construction project involving the addition of 20 new hospital beds in an existing
153.13 hospital in Carver County serving the southwest suburban metropolitan area;

153.14 (16) a project for the construction or relocation of up to 20 hospital beds for the operation
153.15 of up to two psychiatric facilities or units for children provided that the operation of the
153.16 facilities or units have received the approval of the commissioner of human services;

153.17 (17) a project involving the addition of 14 new hospital beds to be used for rehabilitation
153.18 services in an existing hospital in Itasca County;

153.19 (18) a project to add 20 licensed beds in existing space at a hospital in Hennepin County
153.20 that closed 20 rehabilitation beds in 2002, provided that the beds are used only for
153.21 rehabilitation in the hospital's current rehabilitation building. If the beds are used for another
153.22 purpose or moved to another location, the hospital's licensed capacity is reduced by 20 beds;

153.23 (19) a critical access hospital established under section 144.1483, clause (9), and section
153.24 1820 of the federal Social Security Act, United States Code, title 42, section 1395i-4, that
153.25 delicensed beds since enactment of the Balanced Budget Act of 1997, Public Law 105-33,
153.26 to the extent that the critical access hospital does not seek to exceed the maximum number
153.27 of beds permitted such hospital under federal law;

153.28 (20) notwithstanding section 144.552, a project for the construction of a new hospital
153.29 in the city of Maple Grove with a licensed capacity of up to 300 beds provided that:

153.30 (i) the project, including each hospital or health system that will own or control the entity
153.31 that will hold the new hospital license, is approved by a resolution of the Maple Grove City
153.32 Council as of March 1, 2006;

154.1 (ii) the entity that will hold the new hospital license will be owned or controlled by one
154.2 or more not-for-profit hospitals or health systems that have previously submitted a plan or
154.3 plans for a project in Maple Grove as required under section 144.552, and the plan or plans
154.4 have been found to be in the public interest by the commissioner of health as of April 1,
154.5 2005;

154.6 (iii) the new hospital's initial inpatient services must include, but are not limited to,
154.7 medical and surgical services, obstetrical and gynecological services, intensive care services,
154.8 orthopedic services, pediatric services, noninvasive cardiac diagnostics, behavioral health
154.9 services, and emergency room services;

154.10 (iv) the new hospital:

154.11 (A) will have the ability to provide and staff sufficient new beds to meet the growing
154.12 needs of the Maple Grove service area and the surrounding communities currently being
154.13 served by the hospital or health system that will own or control the entity that will hold the
154.14 new hospital license;

154.15 (B) will provide uncompensated care;

154.16 (C) will provide mental health services, including inpatient beds;

154.17 (D) will be a site for workforce development for a broad spectrum of health-care-related
154.18 occupations and have a commitment to providing clinical training programs for physicians
154.19 and other health care providers;

154.20 (E) will demonstrate a commitment to quality care and patient safety;

154.21 (F) will have an electronic medical records system, including physician order entry;

154.22 (G) will provide a broad range of senior services;

154.23 (H) will provide emergency medical services that will coordinate care with regional
154.24 providers of trauma services and licensed emergency ambulance services in order to enhance
154.25 the continuity of care for emergency medical patients; and

154.26 (I) will be completed by December 31, 2009, unless delayed by circumstances beyond
154.27 the control of the entity holding the new hospital license; and

154.28 (v) as of 30 days following submission of a written plan, the commissioner of health
154.29 has not determined that the hospitals or health systems that will own or control the entity
154.30 that will hold the new hospital license are unable to meet the criteria of this clause;

154.31 (21) a project approved under section 144.553;

155.1 (22) a project for the construction of a hospital with up to 25 beds in Cass County within
155.2 a 20-mile radius of the state Ah-Gwah-Ching facility, provided the hospital's license holder
155.3 is approved by the Cass County Board;

155.4 (23) a project for an acute care hospital in Fergus Falls that will increase the bed capacity
155.5 from 108 to 110 beds by increasing the rehabilitation bed capacity from 14 to 16 and closing
155.6 a separately licensed 13-bed skilled nursing facility;

155.7 (24) notwithstanding section 144.552, a project for the construction and expansion of a
155.8 specialty psychiatric hospital in Hennepin County for up to 50 beds, exclusively for patients
155.9 who are under 21 years of age on the date of admission. The commissioner conducted a
155.10 public interest review of the mental health needs of Minnesota and the Twin Cities
155.11 metropolitan area in 2008. No further public interest review shall be conducted for the
155.12 construction or expansion project under this clause;

155.13 (25) a project for a 16-bed psychiatric hospital in the city of Thief River Falls, if the
155.14 commissioner finds the project is in the public interest after the public interest review
155.15 conducted under section 144.552 is complete;

155.16 (26)(i) a project for a 20-bed psychiatric hospital, within an existing facility in the city
155.17 of Maple Grove, exclusively for patients who are under 21 years of age on the date of
155.18 admission, if the commissioner finds the project is in the public interest after the public
155.19 interest review conducted under section 144.552 is complete;

155.20 (ii) this project shall serve patients in the continuing care benefit program under section
155.21 256.9693. The project may also serve patients not in the continuing care benefit program;
155.22 and

155.23 (iii) if the project ceases to participate in the continuing care benefit program, the
155.24 commissioner must complete a subsequent public interest review under section 144.552. If
155.25 the project is found not to be in the public interest, the license must be terminated six months
155.26 from the date of that finding. If the commissioner of human services terminates the contract
155.27 without cause or reduces per diem payment rates for patients under the continuing care
155.28 benefit program below the rates in effect for services provided on December 31, 2015, the
155.29 project may cease to participate in the continuing care benefit program and continue to
155.30 operate without a subsequent public interest review;

155.31 (27) a project involving the addition of 21 new beds in an existing psychiatric hospital
155.32 in Hennepin County that is exclusively for patients who are under 21 years of age on the
155.33 date of admission; ~~or~~

156.1 (28) a project to add 55 licensed beds in an existing safety net, level I trauma center
156.2 hospital in Ramsey County as designated under section 383A.91, subdivision 5, of which
156.3 15 beds are to be used for inpatient mental health and 40 are to be used for other services.
156.4 In addition, five unlicensed observation mental health beds shall be added;

156.5 (29) upon submission of a plan to the commissioner for public interest review under
156.6 section 144.552 and the addition of the 15 inpatient mental health beds specified in clause
156.7 (28), to its bed capacity, a project to add 45 licensed beds in an existing safety net, level I
156.8 trauma center hospital in Ramsey County as designated under section 383A.91, subdivision
156.9 5. Five of the 45 additional beds authorized under this clause must be designated for use
156.10 for inpatient mental health and must be added to the hospital's bed capacity before the
156.11 remaining 40 beds are added. Notwithstanding section 144.552, the hospital may add licensed
156.12 beds under this clause prior to completion of the public interest review, provided the hospital
156.13 submits its plan by the 2021 deadline and adheres to the timelines for the public interest
156.14 review described in section 144.552; or

156.15 (30) upon submission of a plan to the commissioner for public interest review under
156.16 section 144.552, a project to add up to 30 licensed beds in an existing psychiatric hospital
156.17 in Hennepin County that exclusively provides care to patients who are under 21 years of
156.18 age on the date of admission. Notwithstanding section 144.552, the psychiatric hospital
156.19 may add licensed beds under this clause prior to completion of the public interest review,
156.20 provided the hospital submits its plan by the 2021 deadline and adheres to the timelines for
156.21 the public interest review described in section 144.552.

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

156.23 Sec. 31. Minnesota Statutes 2020, section 144.555, is amended to read:

156.24 **144.555 HOSPITAL FACILITY OR CAMPUS CLOSINGS, RELOCATING**
156.25 **SERVICES, OR CEASING TO OFFER CERTAIN SERVICES; PATIENT**
156.26 **RELOCATIONS.**

156.27 Subdivision 1. **Notice of closing or curtailing service operations; facilities other than**
156.28 **hospitals.** If a facility licensed under sections 144.50 to 144.56, other than a hospital,
156.29 voluntarily plans to cease operations or to curtail operations to the extent that patients or
156.30 residents must be relocated, the controlling persons of the facility must notify the
156.31 commissioner of health at least 90 days before the scheduled cessation or curtailment. The
156.32 commissioner shall cooperate with the controlling persons and advise them about relocating
156.33 the patients or residents.

157.1 Subd. 1a. **Notice of closing, curtailing operations, relocating services, or ceasing to**
157.2 **offer certain services; hospitals.** (a) The controlling persons of a hospital licensed under
157.3 sections 144.50 to 144.56 or a hospital campus must notify the commissioner of health and
157.4 the public at least 120 days before the hospital or hospital campus voluntarily plans to
157.5 implement one of the following scheduled actions:

157.6 (1) cease operations;

157.7 (2) curtail operations to the extent that patients must be relocated;

157.8 (3) relocate the provision of health services to another hospital or another hospital
157.9 campus; or

157.10 (4) cease offering maternity care and newborn care services, intensive care unit services,
157.11 inpatient mental health services, or inpatient substance use disorder treatment services.

157.12 (b) The commissioner shall cooperate with the controlling persons and advise them
157.13 about relocating the patients.

157.14 Subd. 1b. **Public hearing.** Within 45 days after receiving notice under subdivision 1a,
157.15 the commissioner shall conduct a public hearing on the scheduled cessation of operations,
157.16 curtailment of operations, relocation of health services, or cessation in offering health
157.17 services. The commissioner must provide adequate public notice of the hearing in a time
157.18 and manner determined by the commissioner. The controlling persons of the hospital or
157.19 hospital campus must participate in the public hearing. The public hearing must include:

157.20 (1) an explanation by the controlling persons of the reasons for ceasing or curtailing
157.21 operations, relocating health services, or ceasing to offer any of the listed health services;

157.22 (2) a description of the actions that controlling persons will take to ensure that residents
157.23 in the hospital's or campus's service area have continued access to the health services being
157.24 eliminated, curtailed, or relocated;

157.25 (3) an opportunity for public testimony on the scheduled cessation or curtailment of
157.26 operations, relocation of health services, or cessation in offering any of the listed health
157.27 services, and on the hospital's or campus's plan to ensure continued access to those health
157.28 services being eliminated, curtailed, or relocated; and

157.29 (4) an opportunity for the controlling persons to respond to questions from interested
157.30 persons.

157.31 Subd. 1c. **Exceptions.** (a) Notwithstanding the time period in subdivision 1a by which
157.32 notice must be provided to the commissioner and the public, the controlling persons of a

158.1 hospital or hospital campus must notify the commissioner of health and the public as soon
158.2 as practicable after deciding to take an action listed in subdivision 1a, paragraph (a), if the
158.3 action is caused by:

158.4 (1) a natural disaster or other emergency; or

158.5 (2) an inability of the hospital to provide health services according to the applicable
158.6 standard of care due to the hospital's inability to retain or secure essential staff after
158.7 reasonable effort.

158.8 (b) Notwithstanding the time period in subdivision 1b by which a public hearing must
158.9 be held, the commissioner must hold a public hearing according to subdivision 1b as soon
158.10 as practicable after the controlling persons of the hospital or hospital campus governed by
158.11 this subdivision decide to take the action.

158.12 Subd. 2. **Penalty.** Failure to notify the commissioner under subdivision 1, 1a, or 1c or
158.13 failure to participate in a public hearing under subdivision 1b may result in issuance of a
158.14 correction order under section 144.653, subdivision 5.

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

158.16 Sec. 32. Minnesota Statutes 2020, section 144.9501, subdivision 17, is amended to read:

158.17 Subd. 17. **Lead hazard reduction.** "Lead hazard reduction" means abatement or interim
158.18 controls undertaken to make a residence, child care facility, school, ~~or~~ playground, or other
158.19 location where lead hazards are identified lead-safe by complying with the lead standards
158.20 and methods adopted under section 144.9508.

158.21 Sec. 33. Minnesota Statutes 2020, section 144.9502, subdivision 3, is amended to read:

158.22 Subd. 3. **Reports of blood lead analysis required.** (a) Every hospital, medical clinic,
158.23 medical laboratory, other facility, or individual performing blood lead analysis shall report
158.24 the results after the analysis of each specimen analyzed, for both capillary and venous
158.25 specimens, and epidemiologic information required in this section to the commissioner of
158.26 health, within the time frames set forth in clauses (1) and (2):

158.27 (1) within two working days by telephone, fax, or electronic transmission as prescribed
158.28 by the commissioner, with written or electronic confirmation within one month as prescribed
158.29 by the commissioner, for a venous blood lead level equal to or greater than 15 micrograms
158.30 of lead per deciliter of whole blood; or

159.1 (2) within one month in writing or by electronic transmission as prescribed by the
159.2 commissioner, for any capillary result or for a venous blood lead level less than 15
159.3 micrograms of lead per deciliter of whole blood.

159.4 (b) If a blood lead analysis is performed outside of Minnesota and the facility performing
159.5 the analysis does not report the blood lead analysis results and epidemiological information
159.6 required in this section to the commissioner, the provider who collected the blood specimen
159.7 must satisfy the reporting requirements of this section. For purposes of this section, "provider"
159.8 has the meaning given in section 62D.02, subdivision 9.

159.9 (c) The commissioner shall coordinate with hospitals, medical clinics, medical
159.10 laboratories, and other facilities performing blood lead analysis to develop a universal
159.11 reporting form and mechanism.

159.12 Sec. 34. Minnesota Statutes 2020, section 144.9504, subdivision 2, is amended to read:

159.13 Subd. 2. **Lead risk assessment.** (a) Notwithstanding section 144.9501, subdivision 6a,
159.14 for purposes of this subdivision, "child" means an individual under 18 years of age.

159.15 (b) An assessing agency shall conduct a lead risk assessment of a residence, residential
159.16 or commercial child care facility, playground, school, or other location where lead hazards
159.17 are suspected according to the venous blood lead level and time frame set forth in clauses
159.18 (1) to (4) for purposes of secondary prevention:

159.19 (1) within 48 hours of a child or pregnant female in the residence, residential or
159.20 commercial child care facility, playground, school, or other location where lead hazards are
159.21 suspected being identified to the agency as having a venous blood lead level equal to or
159.22 greater than 60 micrograms of lead per deciliter of whole blood;

159.23 (2) within five working days of a child or pregnant female in the residence, residential
159.24 or commercial child care facility, playground, school, or other location where lead hazards
159.25 are suspected being identified to the agency as having a venous blood lead level equal to
159.26 or greater than 45 micrograms of lead per deciliter of whole blood;

159.27 ~~(3) within ten working days of a child in the residence being identified to the agency as~~
159.28 ~~having a venous blood lead level equal to or greater than 15 micrograms of lead per deciliter~~
159.29 ~~of whole blood; or~~

159.30 ~~(4)~~(3) within ten working days of a child or pregnant female in the residence, residential
159.31 or commercial child care facility, playground, school, or other location where lead hazards
159.32 are suspected being identified to the agency as having a venous blood lead level equal to
159.33 or greater than ten micrograms of lead per deciliter of whole blood; or

160.1 (4) within 20 working days of a child or pregnant female in the residence, residential or
160.2 commercial child care facility, playground, school, or other location where lead hazards are
160.3 suspected being identified to the agency as having a venous blood lead level equal to or
160.4 greater than five micrograms per deciliter of whole blood.

160.5 An assessing agency may refer investigations at sites other than the child's or pregnant
160.6 female's residence to the commissioner.

160.7 ~~(b)~~ (c) Within the limits of available local, state, and federal appropriations, an assessing
160.8 agency may also conduct a lead risk assessment for children with any elevated blood lead
160.9 level.

160.10 ~~(e)~~ (d) In a building with two or more dwelling units, an assessing agency shall assess
160.11 the individual unit in which the conditions of this section are met and shall inspect all
160.12 common areas accessible to a child. If a child visits one or more other sites such as another
160.13 residence, or a residential or commercial child care facility, playground, or school, the
160.14 assessing agency shall also inspect the other sites. The assessing agency shall have one
160.15 additional day added to the time frame set forth in this subdivision to complete the lead risk
160.16 assessment for each additional site.

160.17 ~~(d)~~ (e) Within the limits of appropriations, the assessing agency shall identify the known
160.18 addresses for the previous 12 months of the child or pregnant female with venous blood
160.19 lead levels of at least 15 micrograms per deciliter for the child or at least ten micrograms
160.20 per deciliter for the pregnant female; notify the property owners, landlords, and tenants at
160.21 those addresses that an elevated blood lead level was found in a person who resided at the
160.22 property; and give them primary prevention information. Within the limits of appropriations,
160.23 the assessing agency may perform a risk assessment and issue corrective orders in the
160.24 properties, if it is likely that the previous address contributed to the child's or pregnant
160.25 female's blood lead level. The assessing agency shall provide the notice required by this
160.26 subdivision without identifying the child or pregnant female with the elevated blood lead
160.27 level. The assessing agency is not required to obtain the consent of the child's parent or
160.28 guardian or the consent of the pregnant female for purposes of this subdivision. This
160.29 information shall be classified as private data on individuals as defined under section 13.02,
160.30 subdivision 12.

160.31 ~~(e)~~ (f) The assessing agency shall conduct the lead risk assessment according to rules
160.32 adopted by the commissioner under section 144.9508. An assessing agency shall have lead
160.33 risk assessments performed by lead risk assessors licensed by the commissioner according
160.34 to rules adopted under section 144.9508. If a property owner refuses to allow a lead risk

161.1 assessment, the assessing agency shall begin legal proceedings to gain entry to the property
161.2 and the time frame for conducting a lead risk assessment set forth in this subdivision no
161.3 longer applies. A lead risk assessor or assessing agency may observe the performance of
161.4 lead hazard reduction in progress and shall enforce the provisions of this section under
161.5 section 144.9509. Deteriorated painted surfaces, bare soil, and dust must be tested with
161.6 appropriate analytical equipment to determine the lead content, except that deteriorated
161.7 painted surfaces or bare soil need not be tested if the property owner agrees to engage in
161.8 lead hazard reduction on those surfaces. The lead content of drinking water must be measured
161.9 if another probable source of lead exposure is not identified. Within a standard metropolitan
161.10 statistical area, an assessing agency may order lead hazard reduction of bare soil without
161.11 measuring the lead content of the bare soil if the property is in a census tract in which soil
161.12 sampling has been performed according to rules established by the commissioner and at
161.13 least 25 percent of the soil samples contain lead concentrations above the standard in section
161.14 144.9508.

161.15 ~~(f)~~ (g) Each assessing agency shall establish an administrative appeal procedure which
161.16 allows a property owner to contest the nature and conditions of any lead order issued by
161.17 the assessing agency. Assessing agencies must consider appeals that propose lower cost
161.18 methods that make the residence lead safe. The commissioner shall use the authority and
161.19 appeal procedure granted under sections 144.989 to 144.993.

161.20 ~~(g)~~ (h) Sections 144.9501 to 144.9512 neither authorize nor prohibit an assessing agency
161.21 from charging a property owner for the cost of a lead risk assessment.

161.22 Sec. 35. Minnesota Statutes 2020, section 144.9504, subdivision 5, is amended to read:

161.23 Subd. 5. **Lead orders.** (a) An assessing agency, after conducting a lead risk assessment,
161.24 shall order a property owner to perform lead hazard reduction on all lead sources that exceed
161.25 a standard adopted according to section 144.9508. If lead risk assessments and lead orders
161.26 are conducted at times when weather or soil conditions do not permit the lead risk assessment
161.27 or lead hazard reduction, external surfaces and soil lead shall be assessed, and lead orders
161.28 complied with, if necessary, at the first opportunity that weather and soil conditions allow.

161.29 (b) If, after conducting a lead risk assessment, an assessing agency determines that the
161.30 property owner's lead hazard originated from another source location, the assessing agency
161.31 may order the responsible person of the source location to:

161.32 (1) perform lead hazard reduction at the site where the assessing agency conducted the
161.33 lead risk assessment; and

162.1 (2) remediate the conditions at the source location that allowed the lead hazard, pollutant,
162.2 or contaminant to migrate from the source location.

162.3 (c) For purposes of this subdivision, "pollutant or contaminant" has the meaning given
162.4 in section 115B.02, subdivision 13, and "responsible person" has the meaning given in
162.5 section 115B.03.

162.6 ~~(b)~~ (d) If the paint standard under section 144.9508 is violated, but the paint is intact,
162.7 the assessing agency shall not order the paint to be removed unless the intact paint is a
162.8 known source of actual lead exposure to a specific person. Before the assessing agency may
162.9 order the intact paint to be removed, a reasonable effort must be made to protect the child
162.10 and preserve the intact paint by the use of guards or other protective devices and methods.

162.11 ~~(e)~~ (e) Whenever windows and doors or other components covered with deteriorated
162.12 lead-based paint have sound substrate or are not rotting, those components should be repaired,
162.13 sent out for stripping or planed down to remove deteriorated lead-based paint, or covered
162.14 with protective guards instead of being replaced, provided that such an activity is the least
162.15 cost method. However, a property owner who has been ordered to perform lead hazard
162.16 reduction may choose any method to address deteriorated lead-based paint on windows,
162.17 doors, or other components, provided that the method is approved in rules adopted under
162.18 section 144.9508 and that it is appropriate to the specific property.

162.19 ~~(d)~~ (f) Lead orders must require that any source of damage, such as leaking roofs,
162.20 plumbing, and windows, be repaired or replaced, as needed, to prevent damage to
162.21 lead-containing interior surfaces.

162.22 ~~(e)~~ (g) The assessing agency is not required to pay for lead hazard reduction. The
162.23 assessing agency shall enforce the lead orders issued to a property owner under this section.

162.24 Sec. 36. Minnesota Statutes 2020, section 145.32, subdivision 1, is amended to read:

162.25 Subdivision 1. **Hospital records.** The superintendent or other chief administrative officer
162.26 of any public or private hospital, by and with the consent and approval of the board of
162.27 directors or other governing body of the hospital, may divest the files and records of that
162.28 hospital of any individual case records and, with that consent and approval, may destroy
162.29 the records. The records shall first have been transferred and recorded as authorized in
162.30 section 145.30.

162.31 Portions of individual hospital medical records that comprise an individual permanent
162.32 medical record, as defined by the commissioner of health, shall be retained as authorized
162.33 in section 145.30. Other portions of the individual medical record, including any

163.1 miscellaneous documents, papers, and correspondence in connection with them, may be
163.2 divested and destroyed after seven years without transfer to photographic film, electronic
163.3 image, or other state-of-the-art electronic preservation technology.

163.4 All portions of individual hospital medical records of minors shall be maintained for
163.5 seven years ~~following the age of majority~~ or until the individual reaches the age of majority,
163.6 whichever occurs last, at which time the individual may request that the patient's hospital
163.7 records be destroyed, unless the hospital is required to retain the records as part of the
163.8 individual's permanent medical record as defined in accordance with subdivision 2.

163.9 Nothing in this section shall be construed to prohibit the retention of hospital medical
163.10 records beyond the periods described in this section. Nor shall anything in this section be
163.11 construed to prohibit patient access to hospital medical records as provided in sections
163.12 144.291 to 144.298.

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

163.14 Sec. 37. Minnesota Statutes 2020, section 145.901, subdivision 2, is amended to read:

163.15 Subd. 2. **Access to data.** (a) The commissioner of health has access to medical data as
163.16 defined in section 13.384, subdivision 1, paragraph (b), medical examiner data as defined
163.17 in section 13.83, subdivision 1, and health records created, maintained, or stored by providers
163.18 as defined in section 144.291, subdivision 2, paragraph ~~(i)~~ (c), without the consent of the
163.19 subject of the data, and without the consent of the parent, spouse, other guardian, or legal
163.20 representative of the subject of the data, when the subject of the data is a woman who died
163.21 during a pregnancy or within 12 months of a fetal death, a live birth, or other termination
163.22 of a pregnancy.

163.23 The commissioner has access only to medical data and health records related to deaths
163.24 that occur on or after July 1, 2000, including the names of the providers, clinics, or other
163.25 health services such as family home visiting programs; the women, infants, and children
163.26 (WIC) program; prescription monitoring programs; and behavioral health services, where
163.27 care was received before, during, or related to the pregnancy or death. The commissioner
163.28 has access to records maintained by a medical examiner, a coroner, or hospitals or to hospital
163.29 discharge data, for the purpose of providing the name and location of any pre-pregnancy,
163.30 prenatal, or other care received by the subject of the data up to one year after the end of the
163.31 pregnancy.

163.32 (b) The provider or responsible authority that creates, maintains, or stores the data shall
163.33 furnish the data upon the request of the commissioner. The provider or responsible authority

164.1 may charge a fee for providing the data, not to exceed the actual cost of retrieving and
164.2 duplicating the data.

164.3 (c) The commissioner shall make a good faith reasonable effort to notify the parent,
164.4 spouse, other guardian, or legal representative of the subject of the data before collecting
164.5 data on the subject. For purposes of this paragraph, "reasonable effort" means one notice
164.6 is sent by certified mail to the last known address of the parent, spouse, guardian, or legal
164.7 representative informing the recipient of the data collection and offering a public health
164.8 nurse support visit if desired.

164.9 (d) The commissioner does not have access to coroner or medical examiner data that
164.10 are part of an active investigation as described in section 13.83.

164.11 (e) The commissioner may request and receive from a coroner or medical examiner the
164.12 name of the health care provider that provided prenatal, postpartum, or other health services
164.13 to the subject of the data.

164.14 (f) The commissioner may access Department of Human Services data to identify sources
164.15 of care and services to assist with the evaluation of welfare systems, including housing, to
164.16 reduce preventable maternal deaths.

164.17 (g) The commissioner may request and receive law enforcement reports or incident
164.18 reports related to the subject of the data.

164.19 Sec. 38. Minnesota Statutes 2020, section 145.901, subdivision 4, is amended to read:

164.20 Subd. 4. **Classification of data.** (a) Data provided to the commissioner from source
164.21 records under subdivision 2, including identifying information on individual providers, data
164.22 subjects, or their children, and data derived by the commissioner under subdivision 3 for
164.23 the purpose of carrying out maternal death studies, are classified as confidential data on
164.24 individuals or confidential data on decedents, as defined in sections 13.02, subdivision 3,
164.25 and 13.10, subdivision 1, paragraph (a).

164.26 (b) Information classified under paragraph (a) shall not be subject to discovery or
164.27 introduction into evidence in any administrative, civil, or criminal proceeding. Such
164.28 information otherwise available from an original source shall not be immune from discovery
164.29 or barred from introduction into evidence merely because it was utilized by the commissioner
164.30 in carrying out maternal death studies.

164.31 (c) Summary data on maternal death studies created by the commissioner, which does
164.32 not identify individual data subjects or individual providers, shall be public in accordance
164.33 with section 13.05, subdivision 7.

165.1 (d) Data provided by the commissioner of human services to the commissioner of health
165.2 under this section retain the same classification the data held when retained by the
165.3 commissioner of human services, as required under section 13.03, subdivision 4, paragraph
165.4 (c).

165.5 Sec. 39. Minnesota Statutes 2020, section 145.901, is amended by adding a subdivision
165.6 to read:

165.7 Subd. 5. **Maternal Mortality Review Committee.** (a) The commissioner of health shall
165.8 convene a Maternal Mortality Review Committee to conduct maternal death study reviews,
165.9 make recommendations, and publicly share summary information. The commissioner shall
165.10 appoint members to the review committee, and membership may include but is not limited
165.11 to medical examiners or coroners, representatives of health care institutions that provide
165.12 care to pregnant women, obstetric and midwifery practitioners, Medicaid representatives,
165.13 representatives of state agencies, individuals from communities with disparate rates of
165.14 maternal mortality, and other subject matter experts as appropriate. Committee membership
165.15 shall not exceed 25 members. The review committee shall review data from source records
165.16 obtained under subdivision 2, other than data identifying the subject or the provider.

165.17 (b) A person attending a Maternal Mortality Review Committee meeting shall not disclose
165.18 what transpired at the meeting, except as necessary to carry out the purposes of the review
165.19 committee. The proceedings and records of the review committee are protected nonpublic
165.20 data as defined in section 13.02, subdivision 13. Discovery and introduction into evidence
165.21 in legal proceedings of case review committee proceedings and records, and testimony in
165.22 legal proceedings by review committee members and persons presenting information to the
165.23 review committee, shall occur in compliance with the requirements in section 256.01,
165.24 subdivision 12, paragraph (e).

165.25 Sec. 40. Minnesota Statutes 2020, section 171.07, is amended by adding a subdivision to
165.26 read:

165.27 Subd. 3b. **Identification card for homeless youth.** (a) A homeless youth, as defined in
165.28 section 256K.45, subdivision 1a, who meets the requirements of this subdivision may obtain
165.29 a noncompliant identification card, notwithstanding section 171.06, subdivision 3.

165.30 (b) An applicant under this subdivision must:

165.31 (1) provide the applicant's full name, date of birth, and sex;

165.32 (2) provide the applicant's height in feet and inches, weight in pounds, and eye color;

166.1 (3) submit a certified copy of a birth certificate issued by a government bureau of vital
166.2 statistics or equivalent agency in the applicant's state of birth, which must bear the raised
166.3 or authorized seal of the issuing government entity; and

166.4 (4) submit a statement verifying that the applicant is a homeless youth who resides in
166.5 Minnesota that is signed by:

166.6 (i) an employee of a human services agency receiving public funding to provide services
166.7 to homeless youth, runaway youth, youth with mental illness, or youth with substance use
166.8 disorders; or

166.9 (ii) staff at a school who provide services to homeless youth or a school social worker.

166.10 (c) For a noncompliant identification card under this subdivision:

166.11 (1) the commissioner must not impose a fee, surcharge, or filing fee under section 171.06,
166.12 subdivision 2; and

166.13 (2) a driver's license agent must not impose a filing fee under section 171.061, subdivision
166.14 4.

166.15 (d) Minnesota Rules, parts 7410.0400 and 7410.0410, or successor rules, do not apply
166.16 for an identification card under this subdivision.

166.17 **EFFECTIVE DATE.** This section is effective the day following final enactment for
166.18 application and issuance of Minnesota identification cards on and after January 1, 2022.

166.19 Sec. 41. Minnesota Statutes 2020, section 256B.0625, subdivision 52, is amended to read:

166.20 Subd. 52. **Lead risk assessments.** (a) Effective October 1, 2007, or six months after
166.21 federal approval, whichever is later, medical assistance covers lead risk assessments provided
166.22 by a lead risk assessor who is licensed by the commissioner of health under section 144.9505
166.23 and employed by an assessing agency as defined in section 144.9501. Medical assistance
166.24 covers a onetime on-site investigation of a recipient's home or primary residence to determine
166.25 the existence of lead so long as the recipient is under the age of 21 and has a venous blood
166.26 lead level specified in section 144.9504, subdivision 2, paragraph ~~(a)~~ (b).

166.27 (b) Medical assistance reimbursement covers the lead risk assessor's time to complete
166.28 the following activities:

166.29 (1) gathering samples;

166.30 (2) interviewing family members;

166.31 (3) gathering data, including meter readings; and

167.1 (4) providing a report with the results of the investigation and options for reducing
167.2 lead-based paint hazards.

167.3 Medical assistance coverage of lead risk assessment does not include testing of
167.4 environmental substances such as water, paint, or soil or any other laboratory services.
167.5 Medical assistance coverage of lead risk assessments is not included in the capitated services
167.6 for children enrolled in health plans through the prepaid medical assistance program and
167.7 the MinnesotaCare program.

167.8 (c) Payment for lead risk assessment must be cost-based and must meet the criteria for
167.9 federal financial participation under the Medicaid program. The rate must be based on
167.10 allowable expenditures from cost information gathered. Under section 144.9507, subdivision
167.11 5, federal medical assistance funds may not replace existing funding for lead-related activities.
167.12 The nonfederal share of costs for services provided under this subdivision must be from
167.13 state or local funds and is the responsibility of the agency providing the risk assessment.
167.14 When the risk assessment is conducted by the commissioner of health, the state share must
167.15 be from appropriations to the commissioner of health for this purpose. Eligible expenditures
167.16 for the nonfederal share of costs may not be made from federal funds or funds used to match
167.17 other federal funds. Any federal disallowances are the responsibility of the agency providing
167.18 risk assessment services.

167.19 Sec. 42. **RECOMMENDATIONS ON EXPANDING ACCESS TO DATA IN**
167.20 **ALL-PAYER CLAIMS DATABASE.**

167.21 The commissioner of health shall develop recommendations to expand access to data
167.22 in the all-payer claims database under Minnesota Statutes, section 62U.04, to additional
167.23 outside entities for public health or research purposes. In the recommendations, the
167.24 commissioner must address an application process for outside entities to access the data,
167.25 how the department will exercise ongoing oversight over data use by outside entities,
167.26 purposes for which outside entities may use the data, establishment of a data access
167.27 committee to advise the department on selecting outside entities permitted to access the
167.28 data, steps outside entities must take to protect data held by outside entities from unauthorized
167.29 use, and whether and how data released to outside entities may identify health care facilities,
167.30 practices, and professionals. The commissioner, in consultation with the commissioner of
167.31 human services, may also address whether the state should participate in a state-university
167.32 partnership or network to promote research using Medicaid data. In developing the
167.33 recommendations, the commissioner must examine best practices of other states regarding
167.34 access to and uses of data in all-payer claims databases. The commissioner shall submit

168.1 preliminary recommendations by December 15, 2021, and final recommendations and
168.2 proposed amendments to statutes by December 15, 2022, to the chairs and ranking minority
168.3 members of the legislative committees with jurisdiction over health policy and civil law.

168.4 Sec. 43. **HEALTH PROFESSIONAL EDUCATION LOAN FORGIVENESS**
168.5 **PROGRAM; TEMPORARY ADDITION OF CERTAIN PROVIDERS.**

168.6 Subdivision 1. **Definitions.** (a) For purposes of this section, the following definitions
168.7 apply.

168.8 (b) "Alcohol and drug counselor" means an individual who is licensed as an alcohol and
168.9 drug counselor under Minnesota Statutes, chapter 148F.

168.10 (c) "Medical resident" and "mental health professional" have the meanings given in
168.11 Minnesota Statutes, section 144.1501, subdivision 1.

168.12 Subd. 2. **Loan forgiveness.** Notwithstanding any provision to the contrary in Minnesota
168.13 Statutes, section 144.1501, subdivision 2 or 4, the commissioner of health may award grants
168.14 under the health professional education loan forgiveness program under Minnesota Statutes,
168.15 section 144.1501, to alcohol and drug counselors, medical residents, and mental health
168.16 professionals:

168.17 (1) agreeing to deliver at least 25 percent of their yearly patient encounters to state public
168.18 program enrollees or patients receiving sliding fee schedule discounts through a formal
168.19 sliding fee schedule meeting the standards established by the United States Department of
168.20 Health and Human Services under Code of Federal Regulations, title 42, section 51, chapter
168.21 303; or

168.22 (2) specializing in the area of pediatric psychiatry and agreeing to deliver at least 25
168.23 percent of their yearly patient encounters to state public program enrollees or patients
168.24 receiving sliding fee schedule discounts through a formal sliding fee schedule meeting the
168.25 standards established by the United States Department of Health and Human Services under
168.26 Code of Federal Regulations, title 42, section 51, chapter 303.

168.27 Subd. 3. **Expiration.** This section expires June 30, 2025.

168.28 Sec. 44. **MENTAL HEALTH CULTURAL COMMUNITY CONTINUING**
168.29 **EDUCATION GRANT PROGRAM.**

168.30 The commissioner of health shall develop a grant program, in consultation with the
168.31 relevant mental health licensing boards, to provide for the continuing education necessary
168.32 for social workers, marriage and family therapists, psychologists, and professional clinical

169.1 counselors to become supervisors for individuals pursuing licensure in mental health
169.2 professions. Social workers, marriage and family therapists, psychologists, and professional
169.3 clinical counselors obtaining continuing education under this section must:

169.4 (1) be members of communities of color or underrepresented communities as defined
169.5 in Minnesota Statutes, section 148E.010, subdivision 20; and

169.6 (2) work for community mental health providers and agree to deliver at least 25 percent
169.7 of their yearly patient encounters to state public program enrollees or patients receiving
169.8 sliding fee schedule discounts through a formal sliding fee schedule meeting the standards
169.9 established by the United States Department of Health and Human Services under Code of
169.10 Federal Regulations, title 42, section 51, chapter 303.

169.11 **Sec. 45. PUBLIC HEALTH INFRASTRUCTURE FUNDS.**

169.12 Subdivision 1. **Uses of funds.** The commissioner of health, with guidance from the State
169.13 Community Health Services Advisory Committee established under Minnesota Statutes,
169.14 section 145A.04, subdivision 15, shall provide funds to community health boards and Tribal
169.15 governments for projects to build foundational public health capacity across the state,
169.16 improve public health services to underserved populations, pilot new organizational models
169.17 for providing public health services including multijurisdictional partnerships, or otherwise
169.18 improve the state's public health system so that it satisfies national standards, including
169.19 standards for health equity.

169.20 Subd. 2. **Distribution of funds.** The commissioner shall work with the State Community
169.21 Health Services Advisory Committee to determine the process for distributing funds under
169.22 this section. Community health boards and Tribal governments may be jointly funded under
169.23 this section.

169.24 Subd. 3. **Evaluation and reporting.** A community health board, Tribal government, or
169.25 multijurisdictional unit receiving funds under this section shall report to the commissioner
169.26 data specified by the commissioner for evaluation of the program.

169.27 Subd. 4. **No supplantation of current expenditures.** Funds received under this section
169.28 must be used to supplement and not supplant current county or Tribal expenditures for
169.29 public health purposes.

169.30 Subd. 5. **Oversight.** The commissioner shall assess the capacity of the public health
169.31 system and oversee improvement efforts conducted with funds under this section.

169.32 Subd. 6. **Recommendations on changes to organization and funding of public health**
169.33 system. By February 1, 2023, the commissioner shall develop and provide to the chairs and

170.1 ranking minority members of the legislative committees with jurisdiction over public health
170.2 recommendations on changes to the organization and funding of Minnesota's public health
170.3 system.

170.4 Sec. 46. **REVISOR INSTRUCTIONS.**

170.5 (a) The revisor of statutes shall amend the section headnote for Minnesota Statutes,
170.6 section 62J.63, to read "HEALTH CARE PURCHASING AND PERFORMANCE
170.7 MEASUREMENT."

170.8 (b) If the fee to support the newborn screening program is increased in accordance with
170.9 Minnesota Statutes, section 144.064, subdivision 3, paragraph (d), the revisor of statutes
170.10 shall update Minnesota Statutes, section 144.125, subdivision 1, paragraph (c), to include
170.11 the revised per-specimen fee.

170.12 Sec. 47. **REPEALER.**

170.13 Minnesota Statutes 2020, sections 62J.63, subdivision 3; 144.0721, subdivision 1;
170.14 144.0722; 144.0724, subdivision 10; and 144.693, are repealed.

170.15 ARTICLE 4

170.16 HEALTH-RELATED LICENSING BOARDS

170.17 Section 1. Minnesota Statutes 2020, section 148.90, subdivision 2, is amended to read:

170.18 Subd. 2. **Members.** (a) The members of the board shall:

170.19 (1) be appointed by the governor;

170.20 (2) be residents of the state;

170.21 (3) serve for not more than two consecutive terms;

170.22 (4) designate the officers of the board; and

170.23 (5) administer oaths pertaining to the business of the board.

170.24 (b) A public member of the board shall represent the public interest and shall not:

170.25 (1) be a psychologist or have engaged in the practice of psychology;

170.26 (2) be an applicant or former applicant for licensure;

170.27 (3) be a member of another health profession and be licensed by a health-related licensing
170.28 board as defined under section 214.01, subdivision 2; the commissioner of health; or licensed,
170.29 certified, or registered by another jurisdiction;

- 171.1 (4) be a member of a household that includes a psychologist; or
- 171.2 (5) have conflicts of interest or the appearance of conflicts with duties as a board member.

171.3 (c) At the time of their appointments, at least two members of the board must reside

171.4 outside of the seven-county metropolitan area.

171.5 (d) At the time of their appointments, at least two members of the board must be members

171.6 of:

171.7 (1) a community of color; or

171.8 (2) an underrepresented community, defined as a group that is not represented in the

171.9 majority with respect to race, ethnicity, national origin, sexual orientation, gender identity,

171.10 or physical ability.

171.11 Sec. 2. Minnesota Statutes 2020, section 148.911, is amended to read:

171.12 **148.911 CONTINUING EDUCATION.**

171.13 (a) Upon application for license renewal, a licensee shall provide the board with

171.14 satisfactory evidence that the licensee has completed continuing education requirements

171.15 established by the board. Continuing education programs shall be approved under section

171.16 148.905, subdivision 1, clause (10). The board shall establish by rule the number of

171.17 continuing education training hours required each year and may specify subject or skills

171.18 areas that the licensee shall address.

171.19 (b) At least four of the required continuing education hours must be on increasing the

171.20 knowledge, understanding, self-awareness, and practice skills to competently address the

171.21 psychological needs of individuals from diverse socioeconomic and cultural backgrounds.

171.22 Topics include but are not limited to:

171.23 (1) understanding culture, its functions, and strengths that exist in varied cultures;

171.24 (2) understanding clients' cultures and differences among and between cultural groups;

171.25 (3) understanding the nature of social diversity and oppression;

171.26 (4) understanding cultural humility; and

171.27 (5) understanding human diversity, meaning individual client differences that are

171.28 associated with the client's cultural group, including race, ethnicity, national origin, religious

171.29 affiliation, language, age, gender, gender identity, physical and mental capabilities, sexual

171.30 orientation, and socioeconomic status.

171.31 **EFFECTIVE DATE.** This section is effective July 1, 2023.

172.1 Sec. 3. Minnesota Statutes 2020, section 148.995, subdivision 2, is amended to read:

172.2 Subd. 2. **Certified doula.** "Certified doula" means an individual who has received a
172.3 certification to perform doula services from the International Childbirth Education
172.4 Association, the Doulas of North America (DONA), the Association of Labor Assistants
172.5 and Childbirth Educators (ALACE), Birthworks, the Childbirth and Postpartum Professional
172.6 Association (CAPPA), Childbirth International, the International Center for Traditional
172.7 Childbearing, ~~or~~ Commonsense Childbirth, Inc., Modern Doula Education (MDE), or an
172.8 organization designated by the commissioner under section 148.9965.

172.9 Sec. 4. Minnesota Statutes 2020, section 148.996, subdivision 2, is amended to read:

172.10 Subd. 2. **Qualifications.** The commissioner shall include on the registry any individual
172.11 who:

172.12 (1) submits an application on a form provided by the commissioner. The form must
172.13 include the applicant's name, address, and contact information;

172.14 (2) ~~maintains~~ submits evidence of maintaining a current certification from one of the
172.15 organizations listed in section 148.995, subdivision 2, or from an organization designated
172.16 by the commissioner under section 148.9965; and

172.17 (3) pays the fees required under section 148.997.

172.18 Sec. 5. Minnesota Statutes 2020, section 148.996, subdivision 4, is amended to read:

172.19 Subd. 4. **Renewal.** Inclusion on the registry maintained by the commissioner is valid
172.20 for three years, provided the doula meets the requirement in subdivision 2, clause (2), during
172.21 the entire period. At the end of the three-year period, the certified doula may submit a new
172.22 application to remain on the doula registry by meeting the requirements described in
172.23 subdivision 2.

172.24 Sec. 6. Minnesota Statutes 2020, section 148.996, is amended by adding a subdivision to
172.25 read:

172.26 Subd. 6. **Removal from registry.** (a) If the commissioner determines that a doula
172.27 included on the registry does not meet the requirement in subdivision 2, clause (2), the
172.28 commissioner shall notify the affected doula that the doula no longer meets the requirement
172.29 in subdivision 2, clause (2), specify steps the doula must take to maintain inclusion on the
172.30 registry, and specify the effect of failing to take such steps. The commissioner must provide

173.1 this notice by first class mail to the address on file with the commissioner for the affected
173.2 doula.

173.3 (b) Following the provision of notice under paragraph (a), the commissioner shall remove
173.4 from the registry any doula who no longer meets the requirement in subdivision 2, clause
173.5 (2), and who does not take the steps specified by the commissioner to maintain inclusion
173.6 on the registry.

173.7 **Sec. 7. [148.9965] DESIGNATION OF DOULA CERTIFICATION**
173.8 **ORGANIZATIONS BY COMMISSIONER.**

173.9 Subdivision 1. **Review and designation by commissioner.** The commissioner shall
173.10 periodically review the doula certification organizations listed in section 148.995, subdivision
173.11 2, or designated by the commissioner under this section. The commissioner may: (1)
173.12 designate additional organizations from which individuals, if maintaining current doula
173.13 certification from such an organization, are eligible for inclusion on the registry of certified
173.14 doulas; and (2) remove the designation of a doula certification organization previously
173.15 designated by the commissioner.

173.16 Subd. 2. **Designation.** A doula certification organization seeking designation under this
173.17 section shall provide the commissioner with evidence that the organization satisfies
173.18 designation criteria established by the commissioner. If the commissioner designates a doula
173.19 certification organization under this section, the commissioner shall provide notice of the
173.20 designation by publication in the State Register and on the Department of Health website
173.21 for the registry of certified doulas and shall specify the date after which a certification by
173.22 the organization authorizes a doula certified by the organization to be included on the
173.23 registry.

173.24 Subd. 3. **Removal of designation.** (a) The commissioner may remove the designation
173.25 of a doula certification organization previously designated by the commissioner under this
173.26 section upon a determination by the commissioner that the organization does not meet the
173.27 commissioner's criteria for designation. If the commissioner removes a designation, the
173.28 commissioner shall provide notice of the removal by publication in the State Register and
173.29 shall specify the date after which a certification by the organization no longer authorizes a
173.30 doula certified by the organization to be included on the registry.

173.31 (b) Following removal of a designation, the Department of Health website for the registry
173.32 of certified doulas shall be modified to reflect the removal.

174.1 Sec. 8. Minnesota Statutes 2020, section 148B.30, subdivision 1, is amended to read:

174.2 Subdivision 1. **Creation.** (a) There is created a Board of Marriage and Family Therapy
174.3 that consists of seven members appointed by the governor. Four members shall be licensed,
174.4 practicing marriage and family therapists, each of whom shall for at least five years
174.5 immediately preceding appointment, have been actively engaged as a marriage and family
174.6 therapist, rendering professional services in marriage and family therapy. One member shall
174.7 be engaged in the professional teaching and research of marriage and family therapy. Two
174.8 members shall be representatives of the general public who have no direct affiliation with
174.9 the practice of marriage and family therapy. All members shall have been a resident of the
174.10 state two years preceding their appointment. Of the first board members appointed, three
174.11 shall continue in office for two years, two members for three years, and two members,
174.12 including the chair, for terms of four years respectively. Their successors shall be appointed
174.13 for terms of four years each, except that a person chosen to fill a vacancy shall be appointed
174.14 only for the unexpired term of the board member whom the newly appointed member
174.15 succeeds. Upon the expiration of a board member's term of office, the board member shall
174.16 continue to serve until a successor is appointed and qualified.

174.17 (b) At the time of their appointments, at least two members must reside outside of the
174.18 seven-county metropolitan area.

174.19 (c) At the time of their appointments, at least two members must be members of:

174.20 (1) a community of color; or

174.21 (2) an underrepresented community, defined as a group that is not represented in the
174.22 majority with respect to race, ethnicity, national origin, sexual orientation, gender identity,
174.23 or physical ability.

174.24 Sec. 9. Minnesota Statutes 2020, section 148B.31, is amended to read:

174.25 **148B.31 DUTIES OF THE BOARD.**

174.26 (a) The board shall:

174.27 (1) adopt and enforce rules for marriage and family therapy licensing, which shall be
174.28 designed to protect the public;

174.29 (2) develop by rule appropriate techniques, including examinations and other methods,
174.30 for determining whether applicants and licensees are qualified under sections 148B.29 to
174.31 148B.392;

174.32 (3) issue licenses to individuals who are qualified under sections 148B.29 to 148B.392;

175.1 (4) establish and implement procedures designed to assure that licensed marriage and
175.2 family therapists will comply with the board's rules;

175.3 (5) study and investigate the practice of marriage and family therapy within the state in
175.4 order to improve the standards imposed for the licensing of marriage and family therapists
175.5 and to improve the procedures and methods used for enforcement of the board's standards;

175.6 (6) formulate and implement a code of ethics for all licensed marriage and family
175.7 therapists; and

175.8 (7) establish continuing education requirements for marriage and family therapists.

175.9 (b) At least four of the 40 continuing education training hours required under Minnesota
175.10 Rules, part 5300.0320, subpart 2, must be on increasing the knowledge, understanding,
175.11 self-awareness, and practice skills that enable a marriage and family therapist to serve clients
175.12 from diverse socioeconomic and cultural backgrounds. Topics include but are not limited
175.13 to:

175.14 (1) understanding culture, its functions, and strengths that exist in varied cultures;

175.15 (2) understanding clients' cultures and differences among and between cultural groups;

175.16 (3) understanding the nature of social diversity and oppression; and

175.17 (4) understanding cultural humility.

175.18 **EFFECTIVE DATE.** This section is effective July 1, 2023.

175.19 Sec. 10. Minnesota Statutes 2020, section 148B.51, is amended to read:

175.20 **148B.51 BOARD OF BEHAVIORAL HEALTH AND THERAPY.**

175.21 (a) The Board of Behavioral Health and Therapy consists of 13 members appointed by
175.22 the governor. Five of the members shall be professional counselors licensed or eligible for
175.23 licensure under sections 148B.50 to 148B.593. Five of the members shall be alcohol and
175.24 drug counselors licensed under chapter 148F. Three of the members shall be public members
175.25 as defined in section 214.02. The board shall annually elect from its membership a chair
175.26 and vice-chair. The board shall appoint and employ an executive director who is not a
175.27 member of the board. The employment of the executive director shall be subject to the terms
175.28 described in section 214.04, subdivision 2a. Chapter 214 applies to the Board of Behavioral
175.29 Health and Therapy unless superseded by sections 148B.50 to 148B.593.

175.30 (b) At the time of their appointments, at least three members must reside outside of the
175.31 seven-county metropolitan area.

176.1 (c) At the time of their appointments, at least three members must be members of:

176.2 (1) a community of color; or

176.3 (2) an underrepresented community, defined as a group that is not represented in the
176.4 majority with respect to race, ethnicity, national origin, sexual orientation, gender identity,
176.5 or physical ability.

176.6 Sec. 11. Minnesota Statutes 2020, section 148B.54, subdivision 2, is amended to read:

176.7 Subd. 2. **Continuing education.** (a) At the completion of the first four years of licensure,
176.8 a licensee must provide evidence satisfactory to the board of completion of 12 additional
176.9 postgraduate semester credit hours or its equivalent in counseling as determined by the
176.10 board, except that no licensee shall be required to show evidence of greater than 60 semester
176.11 hours or its equivalent. In addition to completing the requisite graduate coursework, each
176.12 licensee shall also complete in the first four years of licensure a minimum of 40 hours of
176.13 continuing education activities approved by the board under Minnesota Rules, part 2150.2540.
176.14 Graduate credit hours successfully completed in the first four years of licensure may be
176.15 applied to both the graduate credit requirement and to the requirement for 40 hours of
176.16 continuing education activities. A licensee may receive 15 continuing education hours per
176.17 semester credit hour or ten continuing education hours per quarter credit hour. Thereafter,
176.18 at the time of renewal, each licensee shall provide evidence satisfactory to the board that
176.19 the licensee has completed during each two-year period at least the equivalent of 40 clock
176.20 hours of professional postdegree continuing education in programs approved by the board
176.21 and continues to be qualified to practice under sections 148B.50 to 148B.593.

176.22 (b) At least four of the required 40 continuing education clock hours must be on increasing
176.23 the knowledge, understanding, self-awareness, and practice skills that enable a licensed
176.24 professional counselor and licensed professional clinical counselor to serve clients from
176.25 diverse socioeconomic and cultural backgrounds. Topics include but are not limited to:

176.26 (1) understanding culture, culture's functions, and strengths that exist in varied cultures;

176.27 (2) understanding clients' cultures and differences among and between cultural groups;

176.28 (3) understanding the nature of social diversity and oppression; and

176.29 (4) understanding cultural humility.

176.30 **EFFECTIVE DATE.** This section is effective July 1, 2023.

177.1 Sec. 12. Minnesota Statutes 2020, section 148E.010, is amended by adding a subdivision
177.2 to read:

177.3 Subd. 7f. **Cultural responsiveness.** "Cultural responsiveness" means increasing the
177.4 knowledge, understanding, self-awareness, and practice skills that enable a social worker
177.5 to serve clients from diverse socioeconomic and cultural backgrounds including:

177.6 (1) understanding culture, its functions, and strengths that exist in varied cultures;

177.7 (2) understanding clients' cultures and differences among and between cultural groups;

177.8 (3) understanding the nature of social diversity and oppression; and

177.9 (4) understanding cultural humility.

177.10 Sec. 13. Minnesota Statutes 2020, section 148E.130, subdivision 1, is amended to read:

177.11 Subdivision 1. **Total clock hours required.** (a) A licensee must complete 40 hours of
177.12 continuing education for each two-year renewal term. At the time of license renewal, a
177.13 licensee must provide evidence satisfactory to the board that the licensee has completed the
177.14 required continuing education hours during the previous renewal term. Of the total clock
177.15 hours required:

177.16 (1) all licensees must complete:

177.17 (i) two hours in social work ethics as defined in section 148E.010; and

177.18 (ii) four hours in cultural responsiveness;

177.19 (2) licensed independent clinical social workers must complete 12 clock hours in one
177.20 or more of the clinical content areas specified in section 148E.055, subdivision 5, paragraph
177.21 (a), clause (2);

177.22 (3) licensees providing licensing supervision according to sections 148E.100 to 148E.125,
177.23 must complete six clock hours in supervision as defined in section 148E.010; and

177.24 (4) no more than half of the required clock hours may be completed via continuing
177.25 education independent learning as defined in section 148E.010.

177.26 (b) If the licensee's renewal term is prorated to be less or more than 24 months, the total
177.27 number of required clock hours is prorated proportionately.

178.1 Sec. 14. Minnesota Statutes 2020, section 148E.130, is amended by adding a subdivision
178.2 to read:

178.3 Subd. 1b. **New content clock hours required effective July 1, 2021.** (a) The content
178.4 clock hours in subdivision 1, paragraph (a), clause (1), item (ii), apply to all new licenses
178.5 issued effective July 1, 2021, under section 148E.055.

178.6 (b) Any licensee issued a license prior to July 1, 2021, under section 148E.055 must
178.7 comply with the clock hours in subdivision 1, including the content clock hours in subdivision
178.8 1, paragraph (a), clause (1), item (ii), at the first two-year renewal term after July 1, 2021.

178.9 ARTICLE 5

178.10 PRESCRIPTION DRUGS

178.11 Section 1. Minnesota Statutes 2020, section 16A.151, subdivision 2, is amended to read:

178.12 Subd. 2. **Exceptions.** (a) If a state official litigates or settles a matter on behalf of specific
178.13 injured persons or entities, this section does not prohibit distribution of money to the specific
178.14 injured persons or entities on whose behalf the litigation or settlement efforts were initiated.
178.15 If money recovered on behalf of injured persons or entities cannot reasonably be distributed
178.16 to those persons or entities because they cannot readily be located or identified or because
178.17 the cost of distributing the money would outweigh the benefit to the persons or entities, the
178.18 money must be paid into the general fund.

178.19 (b) Money recovered on behalf of a fund in the state treasury other than the general fund
178.20 may be deposited in that fund.

178.21 (c) This section does not prohibit a state official from distributing money to a person or
178.22 entity other than the state in litigation or potential litigation in which the state is a defendant
178.23 or potential defendant.

178.24 (d) State agencies may accept funds as directed by a federal court for any restitution or
178.25 monetary penalty under United States Code, title 18, section 3663(a)(3), or United States
178.26 Code, title 18, section 3663A(a)(3). Funds received must be deposited in a special revenue
178.27 account and are appropriated to the commissioner of the agency for the purpose as directed
178.28 by the federal court.

178.29 (e) Tobacco settlement revenues as defined in section 16A.98, subdivision 1, paragraph
178.30 (t), may be deposited as provided in section 16A.98, subdivision 12.

178.31 (f) Any money received by the state resulting from a settlement agreement or an assurance
178.32 of discontinuance entered into by the attorney general of the state, or a court order in litigation

179.1 brought by the attorney general of the state, on behalf of the state or a state agency, ~~against~~
179.2 ~~one or more opioid manufacturers or opioid wholesale drug distributors~~ related to alleged
179.3 violations of consumer fraud laws in the marketing, sale, or distribution of opioids in this
179.4 state or other alleged illegal actions that contributed to the excessive use of opioids, must
179.5 be deposited in a separate account in the state treasury and the commissioner shall notify
179.6 the chairs and ranking minority members of the Finance Committee in the senate and the
179.7 Ways and Means Committee in the house of representatives that an account has been created.
179.8 Notwithstanding section 11A.20, all investment income and all investment losses attributable
179.9 to the investment of this account shall be credited to the account. This paragraph does not
179.10 apply to attorney fees and costs awarded to the state or the Attorney General's Office, to
179.11 contract attorneys hired by the state or Attorney General's Office, or to other state agency
179.12 attorneys. If the licensing fees under section 151.065, subdivision 1, clause (16), and
179.13 subdivision 3, clause (14), are reduced and the registration fee under section 151.066,
179.14 subdivision 3, is repealed in accordance with section 256.043, subdivision 4, then the
179.15 commissioner shall transfer from the separate account created in this paragraph to the opiate
179.16 epidemic response fund under section 256.043 an amount that ensures that \$20,940,000
179.17 each fiscal year is available for distribution in accordance with section 256.043, ~~subdivisions~~
179.18 ~~2 and~~ subdivision 3.

179.19 (g) Notwithstanding paragraph (f), if money is received from a settlement agreement or
179.20 an assurance of discontinuance entered into by the attorney general of the state or a court
179.21 order in litigation brought by the attorney general of the state on behalf of the state or a state
179.22 agency against a consulting firm working for an opioid manufacturer or opioid wholesale
179.23 drug distributor and deposited into the separate account created under paragraph (f), the
179.24 commissioner shall annually transfer from the separate account to the opiate epidemic
179.25 response fund under section 256.043 an amount equal to the estimated amount submitted
179.26 to the commissioner by the Board of Pharmacy in accordance with section 151.066,
179.27 subdivision 3, paragraph (b). The amount transferred shall be included in the amount available
179.28 for distribution in accordance with section 256.043, subdivision 3. This transfer shall occur
179.29 each year until the registration fee under section 151.066, subdivision 3, is repealed in
179.30 accordance with section 256.043, subdivision 4, or the money deposited in the account in
179.31 accordance with this paragraph has been transferred, whichever occurs first.

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

180.1 Sec. 2. Minnesota Statutes 2020, section 151.066, subdivision 3, is amended to read:

180.2 Subd. 3. **Determination of an opiate product registration fee.** (a) The board shall
180.3 annually assess an opiate product registration fee on any manufacturer of an opiate that
180.4 annually sells, delivers, or distributes an opiate within or into the state 2,000,000 or more
180.5 units as reported to the board under subdivision 2.

180.6 (b) For purposes of assessing the annual registration fee under this section and
180.7 determining the number of opiate units a manufacturer sold, delivered, or distributed within
180.8 or into the state, the board shall not consider any opiate that is used for medication-assisted
180.9 therapy for substance use disorders. If there is money deposited into the separate account
180.10 as described in section 16A.151, subdivision 2, paragraph (g), the board shall submit to the
180.11 commissioner of management and budget an estimate of the difference in the annual fee
180.12 revenue collected under this section due to this exception.

180.13 (c) The annual registration fee for each manufacturer meeting the requirement under
180.14 paragraph (a) is \$250,000.

180.15 ~~(e)~~ (d) In conjunction with the data reported under this section, and notwithstanding
180.16 section 152.126, subdivision 6, the board may use the data reported under section 152.126,
180.17 subdivision 4, to determine which manufacturers meet the requirement under paragraph (a)
180.18 and are required to pay the registration fees under this subdivision.

180.19 ~~(d)~~ (e) By April 1 of each year, beginning April 1, 2020, the board shall notify a
180.20 manufacturer that the manufacturer meets the requirement in paragraph (a) and is required
180.21 to pay the annual registration fee in accordance with section 151.252, subdivision 1,
180.22 paragraph (b).

180.23 ~~(e)~~ (f) A manufacturer may dispute the board's determination that the manufacturer must
180.24 pay the registration fee no later than 30 days after the date of notification. However, the
180.25 manufacturer must still remit the fee as required by section 151.252, subdivision 1, paragraph
180.26 (b). The dispute must be filed with the board in the manner and using the forms specified
180.27 by the board. A manufacturer must submit, with the required forms, data satisfactory to the
180.28 board that demonstrates that the assessment of the registration fee was incorrect. The board
180.29 must make a decision concerning a dispute no later than 60 days after receiving the required
180.30 dispute forms. If the board determines that the manufacturer has satisfactorily demonstrated
180.31 that the fee was incorrectly assessed, the board must refund the amount paid in error.

180.32 ~~(f)~~ (g) For purposes of this subdivision, a unit means the individual dosage form of the
180.33 particular drug product that is prescribed to the patient. One unit equals one tablet, capsule,
180.34 patch, syringe, milliliter, or gram.

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

181.2 Sec. 3. **[151.335] DELIVERY THROUGH COMMON CARRIER; COMPLIANCE**
181.3 **WITH TEMPERATURE REQUIREMENTS.**

181.4 In addition to complying with the requirements of Minnesota Rules, part 6800.3000, a
181.5 mail order or specialty pharmacy that employs the United States Postal Service or other
181.6 common carrier to deliver a filled prescription directly to a patient must ensure that the drug
181.7 is delivered in compliance with temperature requirements established by the manufacturer
181.8 of the drug. The pharmacy must develop written policies and procedures that are consistent
181.9 with United States Pharmacopeia, chapters 1079 and 1118, and with nationally recognized
181.10 standards issued by standard-setting or accreditation organizations recognized by the board
181.11 through guidance. The policies and procedures must be provided to the board upon request.

181.12 Sec. 4. Minnesota Statutes 2020, section 256.043, subdivision 4, is amended to read:

181.13 Subd. 4. **Settlement; sunset.** (a) If the state receives a total sum of \$250,000,000 either
181.14 as a result of a settlement agreement or an assurance of discontinuance entered into by the
181.15 attorney general of the state, or resulting from a court order in litigation brought by the
181.16 attorney general of the state on behalf of the state or a state agency, ~~against one or more~~
181.17 ~~opioid manufacturers or opioid wholesale drug distributors~~ related to alleged violations of
181.18 consumer fraud laws in the marketing, sale, or distribution of opioids in this state, or other
181.19 alleged illegal actions that contributed to the excessive use of opioids, or from the fees
181.20 collected under sections 151.065, subdivisions 1 and 3, and 151.066, that are deposited into
181.21 the opiate epidemic response fund established in this section, or from a combination of both,
181.22 the fees specified in section 151.065, subdivisions 1, clause (16), and 3, clause (14), shall
181.23 be reduced to \$5,260, and the opiate registration fee in section 151.066, subdivision 3, shall
181.24 be repealed.

181.25 (b) The commissioner of management and budget shall inform the Board of Pharmacy,
181.26 the governor, and the legislature when the amount specified in paragraph (a) has been
181.27 reached. The board shall apply the reduced license fee for the next licensure period.

181.28 (c) Notwithstanding paragraph (a), the reduction of the license fee in section 151.065,
181.29 subdivisions 1 and 3, and the repeal of the registration fee in section 151.066 shall not occur
181.30 before July 1, 2024.

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

182.1 **Sec. 5. STUDY OF TEMPERATURE MONITORING.**

182.2 The Board of Pharmacy shall conduct a study to determine the appropriateness and
182.3 feasibility of requiring mail order and specialty pharmacies to enclose in each medication's
182.4 packaging a method by which the patient can easily detect improper storage or temperature
182.5 variations that may have occurred during the delivery of a medication. The board shall
182.6 report the results of the study by January 15, 2022, to the chairs and ranking minority
182.7 members of the legislative committees with jurisdiction over health finance and policy.

182.8 **Sec. 6. OPIATE REGISTRATION FEE REDUCTION.**

182.9 (a) For purposes of assessing the opiate registration fee under Minnesota Statutes, section
182.10 151.066, subdivision 3, that is required to be paid on June 1, 2021, in accordance with
182.11 Minnesota Statutes, section 151.252, subdivision 1, paragraph (b), the Board of Pharmacy
182.12 shall not consider any injectable opiate product distributed to a hospital or hospital pharmacy.
182.13 If there is money deposited into the separate account as described in Minnesota Statutes,
182.14 section 16A.151, subdivision 2, paragraph (g), the board shall submit to the commissioner
182.15 of management and budget an estimate of the difference in the annual opiate registration
182.16 fee revenue collected under Minnesota Statutes, section 151.066, due to the exception
182.17 described in this paragraph.

182.18 (b) Any estimated loss to the opiate registration fee revenue attributable to paragraph
182.19 (a) must be included in any transfer that occurs under Minnesota Statutes, section 16A.151,
182.20 subdivision 2, paragraph (g), in calendar year 2021.

182.21 (c) If a manufacturer has already paid the opiate registration fee due on June 1, 2021,
182.22 the Board of Pharmacy shall return the amount of the fee to the manufacturer if the
182.23 manufacturer would not have been required to pay the fee after the calculations described
182.24 in paragraph (a) were made.

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

182.26 **ARTICLE 6**

182.27 **TELEHEALTH**

182.28 **Section 1. [62A.673] COVERAGE OF SERVICES PROVIDED THROUGH**
182.29 **TELEHEALTH.**

182.30 Subdivision 1. **Citation.** This section may be cited as the "Minnesota Telehealth Act."

182.31 Subd. 2. **Definitions.** (a) For purposes of this section, the terms defined in this subdivision
182.32 have the meanings given.

183.1 (b) "Distant site" means a site at which a health care provider is located while providing
183.2 health care services or consultations by means of telehealth.

183.3 (c) "Health care provider" means a health care professional who is licensed or registered
183.4 by the state to perform health care services within the provider's scope of practice and in
183.5 accordance with state law. A health care provider includes a mental health professional as
183.6 defined under section 245.462, subdivision 18, or 245.4871, subdivision 27; a mental health
183.7 practitioner as defined under section 245.462, subdivision 17, or 245.4871, subdivision 26;
183.8 a treatment coordinator under section 245G.11, subdivision 7; an alcohol and drug counselor
183.9 under section 245G.11, subdivision 5; and a recovery peer under section 245G.11, subdivision
183.10 8.

183.11 (d) "Health carrier" has the meaning given in section 62A.011, subdivision 2.

183.12 (e) "Health plan" has the meaning given in section 62A.011, subdivision 3. Health plan
183.13 includes dental plans as defined in section 62Q.76, subdivision 3, but does not include dental
183.14 plans that provide indemnity-based benefits, regardless of expenses incurred, and are designed
183.15 to pay benefits directly to the policy holder.

183.16 (f) "Originating site" means a site at which a patient is located at the time health care
183.17 services are provided to the patient by means of telehealth. For purposes of store-and-forward
183.18 technology, the originating site also means the location at which a health care provider
183.19 transfers or transmits information to the distant site.

183.20 (g) "Store-and-forward technology" means the asynchronous electronic transfer or
183.21 transmission of a patient's medical information or data from an originating site to a distant
183.22 site for the purposes of diagnostic and therapeutic assistance in the care of a patient.

183.23 (h) "Telehealth" means the delivery of health care services or consultations through the
183.24 use of real time two-way interactive audio and visual communications to provide or support
183.25 health care delivery and facilitate the assessment, diagnosis, consultation, treatment,
183.26 education, and care management of a patient's health care. Telehealth includes the application
183.27 of secure video conferencing, store-and-forward technology, and synchronous interactions
183.28 between a patient located at an originating site and a health care provider located at a distant
183.29 site. Until July 1, 2023, telehealth also includes audio-only communication between a health
183.30 care provider and a patient in accordance with subdivision 6, paragraph (b). Telehealth does
183.31 not include communication between health care providers that consists solely of a telephone
183.32 conversation, e-mail, or facsimile transmission. Telehealth does not include communication
183.33 between a health care provider and a patient that consists solely of an e-mail or facsimile

184.1 transmission. Telehealth does not include telemonitoring services as defined in paragraph
184.2 (i).

184.3 (i) "Telemonitoring services" means the remote monitoring of clinical data related to
184.4 the enrollee's vital signs or biometric data by a monitoring device or equipment that transmits
184.5 the data electronically to a health care provider for analysis. Telemonitoring is intended to
184.6 collect an enrollee's health-related data for the purpose of assisting a health care provider
184.7 in assessing and monitoring the enrollee's medical condition or status.

184.8 Subd. 3. Coverage of telehealth. (a) A health plan sold, issued, or renewed by a health
184.9 carrier in Minnesota must (1) cover benefits delivered through telehealth in the same manner
184.10 as any other benefits covered under the health plan, and (2) comply with this section.

184.11 (b) Coverage for services delivered through telehealth must not be limited on the basis
184.12 of geography, location, or distance for travel subject to the health care provider network
184.13 available to the enrollee through the enrollee's health plan.

184.14 (c) A health carrier must not create a separate provider network to deliver services
184.15 through telehealth that does not include network providers who provide in-person care to
184.16 patients for the same service or require an enrollee to use a specific provider within the
184.17 network to receive services through telehealth.

184.18 (d) A health carrier may require a deductible, co-payment, or coinsurance payment for
184.19 a health care service provided through telehealth, provided that the deductible, co-payment,
184.20 or coinsurance payment is not in addition to, and does not exceed, the deductible, co-payment,
184.21 or coinsurance applicable for the same service provided through in-person contact.

184.22 (e) Nothing in this section:

184.23 (1) requires a health carrier to provide coverage for services that are not medically
184.24 necessary or are not covered under the enrollee's health plan; or

184.25 (2) prohibits a health carrier from:

184.26 (i) establishing criteria that a health care provider must meet to demonstrate the safety
184.27 or efficacy of delivering a particular service through telehealth for which the health carrier
184.28 does not already reimburse other health care providers for delivering the service through
184.29 telehealth;

184.30 (ii) establishing reasonable medical management techniques, provided the criteria or
184.31 techniques are not unduly burdensome or unreasonable for the particular service; or

185.1 (iii) requiring documentation or billing practices designed to protect the health carrier
185.2 or patient from fraudulent claims, provided the practices are not unduly burdensome or
185.3 unreasonable for the particular service.

185.4 (f) Nothing in this section requires the use of telehealth when a health care provider
185.5 determines that the delivery of a health care service through telehealth is not appropriate or
185.6 when an enrollee chooses not to receive a health care service through telehealth.

185.7 **Subd. 4. Parity between telehealth and in-person services.** (a) A health carrier must
185.8 not restrict or deny coverage of a health care service that is covered under a health plan
185.9 solely:

185.10 (1) because the health care service provided by the health care provider through telehealth
185.11 is not provided through in-person contact; or

185.12 (2) based on the communication technology or application used to deliver the health
185.13 care service through telehealth, provided the technology or application complies with this
185.14 section and is appropriate for the particular service.

185.15 (b) Prior authorization may be required for health care services delivered through
185.16 telehealth only if prior authorization is required before the delivery of the same service
185.17 through in-person contact.

185.18 (c) A health carrier may require a utilization review for services delivered through
185.19 telehealth, provided the utilization review is conducted in the same manner and uses the
185.20 same clinical review criteria as a utilization review for the same services delivered through
185.21 in-person contact.

185.22 (d) A health carrier or health care provider shall not require an enrollee to pay a fee to
185.23 download a specific communication technology or application.

185.24 **Subd. 5. Reimbursement for services delivered through telehealth.** (a) A health carrier
185.25 must reimburse the health care provider for services delivered through telehealth on the
185.26 same basis and at the same rate as the health carrier would apply to those services if the
185.27 services had been delivered by the health care provider through in-person contact.

185.28 (b) A health carrier must not deny or limit reimbursement based solely on a health care
185.29 provider delivering the service or consultation through telehealth instead of through in-person
185.30 contact.

185.31 (c) A health carrier must not deny or limit reimbursement based solely on the technology
185.32 and equipment used by the health care provider to deliver the health care service or

186.1 consultation through telehealth, provided the technology and equipment used by the provider
186.2 meets the requirements of this section and is appropriate for the particular service.

186.3 (d) Nothing in this subdivision prohibits a health carrier and health care provider from
186.4 entering into a contract that includes a value-based reimbursement arrangement for the
186.5 delivery of covered services that may include services delivered through telehealth, and
186.6 such an arrangement shall not be considered a violation of this subdivision.

186.7 Subd. 6. **Telehealth equipment.** (a) A health carrier must not require a health care
186.8 provider to use specific telecommunications technology and equipment as a condition of
186.9 coverage under this section, provided the health care provider uses telecommunications
186.10 technology and equipment that complies with current industry interoperable standards and
186.11 complies with standards required under the federal Health Insurance Portability and
186.12 Accountability Act of 1996, Public Law 104-191, and regulations promulgated under that
186.13 Act, unless authorized under this section.

186.14 (b) A health carrier must provide coverage for health care services delivered through
186.15 telehealth by means of the use of audio-only communication if the communication is a
186.16 scheduled appointment and the standard of care for that particular service can be met through
186.17 the use of audio-only communication. Substance use disorder treatment services and mental
186.18 health care services delivered through telehealth by means of audio-only communication
186.19 may be covered without a scheduled appointment if the communication was initiated by
186.20 the enrollee while in an emergency or crisis situation and a scheduled appointment was not
186.21 possible due to the need of an immediate response. This paragraph expires July 1, 2023.

186.22 Subd. 7. **Telemonitoring services.** A health carrier must provide coverage for
186.23 telemonitoring services if:

186.24 (1) the telemonitoring service is medically appropriate based on the enrollee's medical
186.25 condition or status;

186.26 (2) the enrollee is cognitively and physically capable of operating the monitoring device
186.27 or equipment, or the enrollee has a caregiver who is willing and able to assist with the
186.28 monitoring device or equipment; and

186.29 (3) the enrollee resides in a setting that is suitable for telemonitoring and not in a setting
186.30 that has health care staff on site.

186.31 Subd. 8. **Exception.** This section does not apply to coverage provided to state public
186.32 health care program enrollees under chapter 256B or 256L.

187.1 Sec. 2. Minnesota Statutes 2020, section 147.033, is amended to read:

187.2 **147.033 PRACTICE OF ~~TELEMEDICINE~~ TELEHEALTH.**

187.3 Subdivision 1. **Definition.** For the purposes of this section, "~~telemedicine~~" means the
187.4 ~~delivery of health care services or consultations while the patient is at an originating site~~
187.5 ~~and the licensed health care provider is at a distant site. A communication between licensed~~
187.6 ~~health care providers that consists solely of a telephone conversation, e-mail, or facsimile~~
187.7 ~~transmission does not constitute telemedicine consultations or services. A communication~~
187.8 ~~between a licensed health care provider and a patient that consists solely of an e-mail or~~
187.9 ~~facsimile transmission does not constitute telemedicine consultations or services.~~
187.10 ~~Telemedicine may be provided by means of real-time two-way interactive audio, and visual~~
187.11 ~~communications, including the application of secure video conferencing or store-and-forward~~
187.12 ~~technology to provide or support health care delivery, that facilitate the assessment, diagnosis,~~
187.13 ~~consultation, treatment, education, and care management of a patient's health care.~~
187.14 "telehealth" has the meaning given in section 62A.673, subdivision 2, paragraph (h).

187.15 Subd. 2. **Physician-patient relationship.** A physician-patient relationship may be
187.16 established through ~~telemedicine~~ telehealth.

187.17 Subd. 3. **Standards of practice and conduct.** A physician providing health care services
187.18 by ~~telemedicine~~ telehealth in this state shall be held to the same standards of practice and
187.19 conduct as provided in this chapter for in-person health care services.

187.20 Sec. 3. Minnesota Statutes 2020, section 151.37, subdivision 2, is amended to read:

187.21 Subd. 2. **Prescribing and filing.** (a) A licensed practitioner in the course of professional
187.22 practice only, may prescribe, administer, and dispense a legend drug, and may cause the
187.23 same to be administered by a nurse, a physician assistant, or medical student or resident
187.24 under the practitioner's direction and supervision, and may cause a person who is an
187.25 appropriately certified, registered, or licensed health care professional to prescribe, dispense,
187.26 and administer the same within the expressed legal scope of the person's practice as defined
187.27 in Minnesota Statutes. A licensed practitioner may prescribe a legend drug, without reference
187.28 to a specific patient, by directing a licensed dietitian or licensed nutritionist, pursuant to
187.29 section 148.634; a nurse, pursuant to section 148.235, subdivisions 8 and 9; physician
187.30 assistant; medical student or resident; or pharmacist according to section 151.01, subdivision
187.31 27, to adhere to a particular practice guideline or protocol when treating patients whose
187.32 condition falls within such guideline or protocol, and when such guideline or protocol
187.33 specifies the circumstances under which the legend drug is to be prescribed and administered.
187.34 An individual who verbally, electronically, or otherwise transmits a written, oral, or electronic

188.1 order, as an agent of a prescriber, shall not be deemed to have prescribed the legend drug.
188.2 This paragraph applies to a physician assistant only if the physician assistant meets the
188.3 requirements of ~~section 147A.18~~ sections 147A.02 and 147A.09.

188.4 (b) The commissioner of health, if a licensed practitioner, or a person designated by the
188.5 commissioner who is a licensed practitioner, may prescribe a legend drug to an individual
188.6 or by protocol for mass dispensing purposes where the commissioner finds that the conditions
188.7 triggering section 144.4197 or 144.4198, subdivision 2, paragraph (b), exist. The
188.8 commissioner, if a licensed practitioner, or a designated licensed practitioner, may prescribe,
188.9 dispense, or administer a legend drug or other substance listed in subdivision 10 to control
188.10 tuberculosis and other communicable diseases. The commissioner may modify state drug
188.11 labeling requirements, and medical screening criteria and documentation, where time is
188.12 critical and limited labeling and screening are most likely to ensure legend drugs reach the
188.13 maximum number of persons in a timely fashion so as to reduce morbidity and mortality.

188.14 (c) A licensed practitioner that dispenses for profit a legend drug that is to be administered
188.15 orally, is ordinarily dispensed by a pharmacist, and is not a vaccine, must file with the
188.16 practitioner's licensing board a statement indicating that the practitioner dispenses legend
188.17 drugs for profit, the general circumstances under which the practitioner dispenses for profit,
188.18 and the types of legend drugs generally dispensed. It is unlawful to dispense legend drugs
188.19 for profit after July 31, 1990, unless the statement has been filed with the appropriate
188.20 licensing board. For purposes of this paragraph, "profit" means (1) any amount received by
188.21 the practitioner in excess of the acquisition cost of a legend drug for legend drugs that are
188.22 purchased in prepackaged form, or (2) any amount received by the practitioner in excess
188.23 of the acquisition cost of a legend drug plus the cost of making the drug available if the
188.24 legend drug requires compounding, packaging, or other treatment. The statement filed under
188.25 this paragraph is public data under section 13.03. This paragraph does not apply to a licensed
188.26 doctor of veterinary medicine or a registered pharmacist. Any person other than a licensed
188.27 practitioner with the authority to prescribe, dispense, and administer a legend drug under
188.28 paragraph (a) shall not dispense for profit. To dispense for profit does not include dispensing
188.29 by a community health clinic when the profit from dispensing is used to meet operating
188.30 expenses.

188.31 (d) A prescription drug order for the following drugs is not valid, unless it can be
188.32 established that the prescription drug order was based on a documented patient evaluation,
188.33 including an examination, adequate to establish a diagnosis and identify underlying conditions
188.34 and contraindications to treatment:

188.35 (1) controlled substance drugs listed in section 152.02, subdivisions 3 to 5;

189.1 (2) drugs defined by the Board of Pharmacy as controlled substances under section
189.2 152.02, subdivisions 7, 8, and 12;

189.3 (3) muscle relaxants;

189.4 (4) centrally acting analgesics with opioid activity;

189.5 (5) drugs containing butalbital; or

189.6 (6) phosphodiesterase type 5 inhibitors when used to treat erectile dysfunction.

189.7 ~~For purposes of prescribing drugs listed in clause (6), the requirement for a documented~~
189.8 ~~patient evaluation, including an examination, may be met through the use of telemedicine,~~
189.9 ~~as defined in section 147.033, subdivision 1.~~

189.10 (e) For the purposes of paragraph (d), the requirement for an examination shall be met
189.11 if:

189.12 (1) an in-person examination has been completed in any of the following circumstances:

189.13 ~~(1)~~ (i) the prescribing practitioner examines the patient at the time the prescription or
189.14 drug order is issued;

189.15 ~~(2)~~ (ii) the prescribing practitioner has performed a prior examination of the patient;

189.16 ~~(3)~~ (iii) another prescribing practitioner practicing within the same group or clinic as
189.17 the prescribing practitioner has examined the patient;

189.18 ~~(4)~~ (iv) a consulting practitioner to whom the prescribing practitioner has referred the
189.19 patient has examined the patient; or

189.20 ~~(5)~~ (v) the referring practitioner has performed an examination in the case of a consultant
189.21 practitioner issuing a prescription or drug order when providing services by means of
189.22 telemedicine; or

189.23 (2) the prescription order is for a drug listed in paragraph (d), clause (6), or for medication
189.24 assisted therapy for a substance use disorder, and the prescribing practitioner has completed
189.25 an examination of the patient via telehealth as defined in section 62A.673, subdivision 2,
189.26 paragraph (h).

189.27 (f) Nothing in paragraph (d) or (e) prohibits a licensed practitioner from prescribing a
189.28 drug through the use of a guideline or protocol pursuant to paragraph (a).

189.29 (g) Nothing in this chapter prohibits a licensed practitioner from issuing a prescription
189.30 or dispensing a legend drug in accordance with the Expedited Partner Therapy in the

190.1 Management of Sexually Transmitted Diseases guidance document issued by the United
190.2 States Centers for Disease Control.

190.3 (h) Nothing in paragraph (d) or (e) limits prescription, administration, or dispensing of
190.4 legend drugs through a public health clinic or other distribution mechanism approved by
190.5 the commissioner of health or a community health board in order to prevent, mitigate, or
190.6 treat a pandemic illness, infectious disease outbreak, or intentional or accidental release of
190.7 a biological, chemical, or radiological agent.

190.8 (i) No pharmacist employed by, under contract to, or working for a pharmacy located
190.9 within the state and licensed under section 151.19, subdivision 1, may dispense a legend
190.10 drug based on a prescription that the pharmacist knows, or would reasonably be expected
190.11 to know, is not valid under paragraph (d).

190.12 (j) No pharmacist employed by, under contract to, or working for a pharmacy located
190.13 outside the state and licensed under section 151.19, subdivision 1, may dispense a legend
190.14 drug to a resident of this state based on a prescription that the pharmacist knows, or would
190.15 reasonably be expected to know, is not valid under paragraph (d).

190.16 (k) Nothing in this chapter prohibits the commissioner of health, if a licensed practitioner,
190.17 or, if not a licensed practitioner, a designee of the commissioner who is a licensed
190.18 practitioner, from prescribing legend drugs for field-delivered therapy in the treatment of
190.19 a communicable disease according to the Centers For Disease Control and Prevention Partner
190.20 Services Guidelines.

190.21 Sec. 4. Minnesota Statutes 2020, section 245G.01, subdivision 13, is amended to read:

190.22 Subd. 13. **Face-to-face.** "Face-to-face" means two-way, real-time, interactive and visual
190.23 communication between a client and a treatment service provider and includes services
190.24 delivered in person or via ~~telemedicine~~ telehealth.

190.25 **EFFECTIVE DATE.** This section is effective July 1, 2021, or upon federal approval,
190.26 whichever is later. The commissioner of human services shall notify the revisor of statutes
190.27 when federal approval is obtained.

190.28 Sec. 5. Minnesota Statutes 2020, section 245G.01, subdivision 26, is amended to read:

190.29 Subd. 26. ~~Telemedicine~~ **Telehealth.** "~~Telemedicine~~" "Telehealth" means the delivery
190.30 of a substance use disorder treatment service while the client is at an originating site and
190.31 the ~~licensed~~ health care provider is at a distant site via telehealth as defined in section

191.1 256B.0625, subdivision 3b, and as specified in section 254B.05, subdivision 5, paragraph
191.2 (f).

191.3 **EFFECTIVE DATE.** This section is effective July 1, 2021, or upon federal approval,
191.4 whichever is later. The commissioner of human services shall notify the revisor of statutes
191.5 when federal approval is obtained.

191.6 Sec. 6. Minnesota Statutes 2020, section 245G.06, subdivision 1, is amended to read:

191.7 Subdivision 1. **General.** Each client must have a person-centered individual treatment
191.8 plan developed by an alcohol and drug counselor within ten days from the day of service
191.9 initiation for a residential program and within five calendar days on which a treatment
191.10 session has been provided from the day of service initiation for a client in a nonresidential
191.11 program. Opioid treatment programs must complete the individual treatment plan within
191.12 21 days from the day of service initiation. The individual treatment plan must be signed by
191.13 the client and the alcohol and drug counselor and document the client's involvement in the
191.14 development of the plan. The individual treatment plan is developed upon the qualified staff
191.15 member's dated signature. Treatment planning must include ongoing assessment of client
191.16 needs. An individual treatment plan must be updated based on new information gathered
191.17 about the client's condition, the client's level of participation, and on whether methods
191.18 identified have the intended effect. A change to the plan must be signed by the client and
191.19 the alcohol and drug counselor. If the client chooses to have family or others involved in
191.20 treatment services, the client's individual treatment plan must include how the family or
191.21 others will be involved in the client's treatment. If a client is receiving treatment services
191.22 or an assessment via telehealth and the alcohol and drug counselor documents the reason
191.23 the client's signature cannot be obtained, the alcohol and drug counselor may document the
191.24 client's verbal approval or electronic written approval of the treatment plan or change to the
191.25 treatment plan in lieu of the client's signature.

191.26 **EFFECTIVE DATE.** This section is effective July 1, 2021.

191.27 Sec. 7. Minnesota Statutes 2020, section 254A.19, subdivision 5, is amended to read:

191.28 Subd. 5. **Assessment via ~~telemedicine~~ telehealth.** Notwithstanding Minnesota Rules,
191.29 part 9530.6615, subpart 3, item A, a chemical use assessment may be conducted via
191.30 ~~telemedicine~~ telehealth as defined in section 256B.0625, subdivision 3b.

191.31 **EFFECTIVE DATE.** This section is effective July 1, 2021, or upon federal approval,
191.32 whichever is later. The commissioner of human services shall notify the revisor of statutes
191.33 when federal approval is obtained.

192.1 Sec. 8. Minnesota Statutes 2020, section 254B.05, subdivision 5, is amended to read:

192.2 Subd. 5. **Rate requirements.** (a) The commissioner shall establish rates for substance
192.3 use disorder services and service enhancements funded under this chapter.

192.4 (b) Eligible substance use disorder treatment services include:

192.5 (1) outpatient treatment services that are licensed according to sections 245G.01 to
192.6 245G.17, or applicable tribal license;

192.7 (2) comprehensive assessments provided according to sections 245.4863, paragraph (a),
192.8 and 245G.05;

192.9 (3) care coordination services provided according to section 245G.07, subdivision 1,
192.10 paragraph (a), clause (5);

192.11 (4) peer recovery support services provided according to section 245G.07, subdivision
192.12 2, clause (8);

192.13 (5) on July 1, 2019, or upon federal approval, whichever is later, withdrawal management
192.14 services provided according to chapter 245F;

192.15 (6) medication-assisted therapy services that are licensed according to sections 245G.01
192.16 to 245G.17 and 245G.22, or applicable tribal license;

192.17 (7) medication-assisted therapy plus enhanced treatment services that meet the
192.18 requirements of clause (6) and provide nine hours of clinical services each week;

192.19 (8) high, medium, and low intensity residential treatment services that are licensed
192.20 according to sections 245G.01 to 245G.17 and 245G.21 or applicable tribal license which
192.21 provide, respectively, 30, 15, and five hours of clinical services each week;

192.22 (9) hospital-based treatment services that are licensed according to sections 245G.01 to
192.23 245G.17 or applicable tribal license and licensed as a hospital under sections 144.50 to
192.24 144.56;

192.25 (10) adolescent treatment programs that are licensed as outpatient treatment programs
192.26 according to sections 245G.01 to 245G.18 or as residential treatment programs according
192.27 to Minnesota Rules, parts 2960.0010 to 2960.0220, and 2960.0430 to 2960.0490, or
192.28 applicable tribal license;

192.29 (11) high-intensity residential treatment services that are licensed according to sections
192.30 245G.01 to 245G.17 and 245G.21 or applicable tribal license, which provide 30 hours of
192.31 clinical services each week provided by a state-operated vendor or to clients who have been

193.1 civilly committed to the commissioner, present the most complex and difficult care needs,
193.2 and are a potential threat to the community; and

193.3 (12) room and board facilities that meet the requirements of subdivision 1a.

193.4 (c) The commissioner shall establish higher rates for programs that meet the requirements
193.5 of paragraph (b) and one of the following additional requirements:

193.6 (1) programs that serve parents with their children if the program:

193.7 (i) provides on-site child care during the hours of treatment activity that:

193.8 (A) is licensed under chapter 245A as a child care center under Minnesota Rules, chapter
193.9 9503; or

193.10 (B) meets the licensure exclusion criteria of section 245A.03, subdivision 2, paragraph
193.11 (a), clause (6), and meets the requirements under section 245G.19, subdivision 4; or

193.12 (ii) arranges for off-site child care during hours of treatment activity at a facility that is
193.13 licensed under chapter 245A as:

193.14 (A) a child care center under Minnesota Rules, chapter 9503; or

193.15 (B) a family child care home under Minnesota Rules, chapter 9502;

193.16 (2) culturally specific programs as defined in section 254B.01, subdivision 4a, or
193.17 programs or subprograms serving special populations, if the program or subprogram meets
193.18 the following requirements:

193.19 (i) is designed to address the unique needs of individuals who share a common language,
193.20 racial, ethnic, or social background;

193.21 (ii) is governed with significant input from individuals of that specific background; and

193.22 (iii) employs individuals to provide individual or group therapy, at least 50 percent of
193.23 whom are of that specific background, except when the common social background of the
193.24 individuals served is a traumatic brain injury or cognitive disability and the program employs
193.25 treatment staff who have the necessary professional training, as approved by the
193.26 commissioner, to serve clients with the specific disabilities that the program is designed to
193.27 serve;

193.28 (3) programs that offer medical services delivered by appropriately credentialed health
193.29 care staff in an amount equal to two hours per client per week if the medical needs of the
193.30 client and the nature and provision of any medical services provided are documented in the
193.31 client file; and

194.1 (4) programs that offer services to individuals with co-occurring mental health and
194.2 chemical dependency problems if:

194.3 (i) the program meets the co-occurring requirements in section 245G.20;

194.4 (ii) 25 percent of the counseling staff are licensed mental health professionals, as defined
194.5 in section 245.462, subdivision 18, clauses (1) to (6), or are students or licensing candidates
194.6 under the supervision of a licensed alcohol and drug counselor supervisor and licensed
194.7 mental health professional, except that no more than 50 percent of the mental health staff
194.8 may be students or licensing candidates with time documented to be directly related to
194.9 provisions of co-occurring services;

194.10 (iii) clients scoring positive on a standardized mental health screen receive a mental
194.11 health diagnostic assessment within ten days of admission;

194.12 (iv) the program has standards for multidisciplinary case review that include a monthly
194.13 review for each client that, at a minimum, includes a licensed mental health professional
194.14 and licensed alcohol and drug counselor, and their involvement in the review is documented;

194.15 (v) family education is offered that addresses mental health and substance abuse disorders
194.16 and the interaction between the two; and

194.17 (vi) co-occurring counseling staff shall receive eight hours of co-occurring disorder
194.18 training annually.

194.19 (d) In order to be eligible for a higher rate under paragraph (c), clause (1), a program
194.20 that provides arrangements for off-site child care must maintain current documentation at
194.21 the chemical dependency facility of the child care provider's current licensure to provide
194.22 child care services. Programs that provide child care according to paragraph (c), clause (1),
194.23 must be deemed in compliance with the licensing requirements in section 245G.19.

194.24 (e) Adolescent residential programs that meet the requirements of Minnesota Rules,
194.25 parts 2960.0430 to 2960.0490 and 2960.0580 to 2960.0690, are exempt from the requirements
194.26 in paragraph (c), clause (4), items (i) to (iv).

194.27 (f) Subject to federal approval, chemical dependency services that are otherwise covered
194.28 as direct face-to-face services may be provided via ~~two-way interactive video~~ telehealth as
194.29 defined in section 256B.0625, subdivision 3b. The use of ~~two-way interactive video~~ telehealth
194.30 to deliver services must be medically appropriate to the condition and needs of the person
194.31 being served. Reimbursement shall be at the same rates and under the same conditions that
194.32 would otherwise apply to direct face-to-face services. ~~The interactive video equipment and~~
194.33 ~~connection must comply with Medicare standards in effect at the time the service is provided.~~

195.1 (g) For the purpose of reimbursement under this section, substance use disorder treatment
195.2 services provided in a group setting without a group participant maximum or maximum
195.3 client to staff ratio under chapter 245G shall not exceed a client to staff ratio of 48 to one.
195.4 At least one of the attending staff must meet the qualifications as established under this
195.5 chapter for the type of treatment service provided. A recovery peer may not be included as
195.6 part of the staff ratio.

195.7 EFFECTIVE DATE. This section is effective July 1, 2021, or upon federal approval,
195.8 whichever is later. The commissioner of human services shall notify the revisor of statutes
195.9 when federal approval is obtained.

195.10 Sec. 9. Minnesota Statutes 2020, section 256B.0621, subdivision 10, is amended to read:

195.11 Subd. 10. **Payment rates.** The commissioner shall set payment rates for targeted case
195.12 management under this subdivision. Case managers may bill according to the following
195.13 criteria:

195.14 (1) for relocation targeted case management, case managers may bill for direct case
195.15 management activities, including face-to-face contact, telephone contact, and interactive
195.16 video contact ~~according to section 256B.0924, subdivision 4a,~~ as defined in section
195.17 256B.0625, subdivision 20b, paragraph (f), in the lesser of:

195.18 (i) 180 days preceding an eligible recipient's discharge from an institution; or
195.19 (ii) the limits and conditions which apply to federal Medicaid funding for this service;

195.20 (2) for home care targeted case management, case managers may bill for direct case
195.21 management activities, including face-to-face and telephone contacts; and

195.22 (3) billings for targeted case management services under this subdivision shall not
195.23 duplicate payments made under other program authorities for the same purpose.

195.24 EFFECTIVE DATE. This section is effective July 1, 2021, or upon federal approval,
195.25 whichever is later. The commissioner of human services shall notify the revisor of statutes
195.26 when federal approval is obtained.

195.27 Sec. 10. Minnesota Statutes 2020, section 256B.0622, subdivision 7a, as amended by
195.28 Laws 2021, chapter 30, article 17, section 60, is amended to read:

195.29 Subd. 7a. **Assertive community treatment team staff requirements and roles.** (a)
195.30 The required treatment staff qualifications and roles for an ACT team are:

195.31 (1) the team leader:

196.1 (i) shall be a mental health professional. Individuals who are not licensed but who are
196.2 eligible for licensure and are otherwise qualified may also fulfill this role but must obtain
196.3 full licensure within 24 months of assuming the role of team leader;

196.4 (ii) must be an active member of the ACT team and provide some direct services to
196.5 clients;

196.6 (iii) must be a single full-time staff member, dedicated to the ACT team, who is
196.7 responsible for overseeing the administrative operations of the team, providing treatment
196.8 supervision of services in conjunction with the psychiatrist or psychiatric care provider, and
196.9 supervising team members to ensure delivery of best and ethical practices; and

196.10 (iv) must be available to provide overall treatment supervision to the ACT team after
196.11 regular business hours and on weekends and holidays. The team leader may delegate this
196.12 duty to another qualified member of the ACT team;

196.13 (2) the psychiatric care provider:

196.14 (i) must be a mental health professional permitted to prescribe psychiatric medications
196.15 as part of the mental health professional's scope of practice. The psychiatric care provider
196.16 must have demonstrated clinical experience working with individuals with serious and
196.17 persistent mental illness;

196.18 (ii) shall collaborate with the team leader in sharing overall clinical responsibility for
196.19 screening and admitting clients; monitoring clients' treatment and team member service
196.20 delivery; educating staff on psychiatric and nonpsychiatric medications, their side effects,
196.21 and health-related conditions; actively collaborating with nurses; and helping provide
196.22 treatment supervision to the team;

196.23 (iii) shall fulfill the following functions for assertive community treatment clients:
196.24 provide assessment and treatment of clients' symptoms and response to medications, including
196.25 side effects; provide brief therapy to clients; provide diagnostic and medication education
196.26 to clients, with medication decisions based on shared decision making; monitor clients'
196.27 nonpsychiatric medical conditions and nonpsychiatric medications; and conduct home and
196.28 community visits;

196.29 (iv) shall serve as the point of contact for psychiatric treatment if a client is hospitalized
196.30 for mental health treatment and shall communicate directly with the client's inpatient
196.31 psychiatric care providers to ensure continuity of care;

196.32 (v) shall have a minimum full-time equivalency that is prorated at a rate of 16 hours per
196.33 50 clients. Part-time psychiatric care providers shall have designated hours to work on the

197.1 team, with sufficient blocks of time on consistent days to carry out the provider's clinical,
197.2 supervisory, and administrative responsibilities. No more than two psychiatric care providers
197.3 may share this role; and

197.4 ~~(vi) may not provide specific roles and responsibilities by telemedicine unless approved~~
197.5 ~~by the commissioner; and~~

197.6 ~~(vii)~~ (vi) shall provide psychiatric backup to the program after regular business hours
197.7 and on weekends and holidays. The psychiatric care provider may delegate this duty to
197.8 another qualified psychiatric provider;

197.9 (3) the nursing staff:

197.10 (i) shall consist of one to three registered nurses or advanced practice registered nurses,
197.11 of whom at least one has a minimum of one-year experience working with adults with
197.12 serious mental illness and a working knowledge of psychiatric medications. No more than
197.13 two individuals can share a full-time equivalent position;

197.14 (ii) are responsible for managing medication, administering and documenting medication
197.15 treatment, and managing a secure medication room; and

197.16 (iii) shall develop strategies, in collaboration with clients, to maximize taking medications
197.17 as prescribed; screen and monitor clients' mental and physical health conditions and
197.18 medication side effects; engage in health promotion, prevention, and education activities;
197.19 communicate and coordinate services with other medical providers; facilitate the development
197.20 of the individual treatment plan for clients assigned; and educate the ACT team in monitoring
197.21 psychiatric and physical health symptoms and medication side effects;

197.22 (4) the co-occurring disorder specialist:

197.23 (i) shall be a full-time equivalent co-occurring disorder specialist who has received
197.24 specific training on co-occurring disorders that is consistent with national evidence-based
197.25 practices. The training must include practical knowledge of common substances and how
197.26 they affect mental illnesses, the ability to assess substance use disorders and the client's
197.27 stage of treatment, motivational interviewing, and skills necessary to provide counseling to
197.28 clients at all different stages of change and treatment. The co-occurring disorder specialist
197.29 may also be an individual who is a licensed alcohol and drug counselor as described in
197.30 section 148F.01, subdivision 5, or a counselor who otherwise meets the training, experience,
197.31 and other requirements in section 245G.11, subdivision 5. No more than two co-occurring
197.32 disorder specialists may occupy this role; and

- 198.1 (ii) shall provide or facilitate the provision of co-occurring disorder treatment to clients.
198.2 The co-occurring disorder specialist shall serve as a consultant and educator to fellow ACT
198.3 team members on co-occurring disorders;
- 198.4 (5) the vocational specialist:
- 198.5 (i) shall be a full-time vocational specialist who has at least one-year experience providing
198.6 employment services or advanced education that involved field training in vocational services
198.7 to individuals with mental illness. An individual who does not meet these qualifications
198.8 may also serve as the vocational specialist upon completing a training plan approved by the
198.9 commissioner;
- 198.10 (ii) shall provide or facilitate the provision of vocational services to clients. The vocational
198.11 specialist serves as a consultant and educator to fellow ACT team members on these services;
198.12 and
- 198.13 (iii) must not refer individuals to receive any type of vocational services or linkage by
198.14 providers outside of the ACT team;
- 198.15 (6) the mental health certified peer specialist:
- 198.16 (i) shall be a full-time equivalent. No more than two individuals can share this position.
198.17 The mental health certified peer specialist is a fully integrated team member who provides
198.18 highly individualized services in the community and promotes the self-determination and
198.19 shared decision-making abilities of clients. This requirement may be waived due to workforce
198.20 shortages upon approval of the commissioner;
- 198.21 (ii) must provide coaching, mentoring, and consultation to the clients to promote recovery,
198.22 self-advocacy, and self-direction, promote wellness management strategies, and assist clients
198.23 in developing advance directives; and
- 198.24 (iii) must model recovery values, attitudes, beliefs, and personal action to encourage
198.25 wellness and resilience, provide consultation to team members, promote a culture where
198.26 the clients' points of view and preferences are recognized, understood, respected, and
198.27 integrated into treatment, and serve in a manner equivalent to other team members;
- 198.28 (7) the program administrative assistant shall be a full-time office-based program
198.29 administrative assistant position assigned to solely work with the ACT team, providing a
198.30 range of supports to the team, clients, and families; and
- 198.31 (8) additional staff:

199.1 (i) shall be based on team size. Additional treatment team staff may include mental
 199.2 health professionals; clinical trainees; certified rehabilitation specialists; mental health
 199.3 practitioners; or mental health rehabilitation workers. These individuals shall have the
 199.4 knowledge, skills, and abilities required by the population served to carry out rehabilitation
 199.5 and support functions; and

199.6 (ii) shall be selected based on specific program needs or the population served.

199.7 (b) Each ACT team must clearly document schedules for all ACT team members.

199.8 (c) Each ACT team member must serve as a primary team member for clients assigned
 199.9 by the team leader and are responsible for facilitating the individual treatment plan process
 199.10 for those clients. The primary team member for a client is the responsible team member
 199.11 knowledgeable about the client's life and circumstances and writes the individual treatment
 199.12 plan. The primary team member provides individual supportive therapy or counseling, and
 199.13 provides primary support and education to the client's family and support system.

199.14 (d) Members of the ACT team must have strong clinical skills, professional qualifications,
 199.15 experience, and competency to provide a full breadth of rehabilitation services. Each staff
 199.16 member shall be proficient in their respective discipline and be able to work collaboratively
 199.17 as a member of a multidisciplinary team to deliver the majority of the treatment,
 199.18 rehabilitation, and support services clients require to fully benefit from receiving assertive
 199.19 community treatment.

199.20 (e) Each ACT team member must fulfill training requirements established by the
 199.21 commissioner.

199.22 Sec. 11. Minnesota Statutes 2020, section 256B.0625, subdivision 3b, as amended by
 199.23 Laws 2021, chapter 30, article 17, section 71, is amended to read:

199.24 Subd. 3b. **Telemedicine Telehealth services.** (a) Medical assistance covers medically
 199.25 necessary services and consultations delivered by a licensed health care provider ~~via~~
 199.26 ~~telemedicine~~ through telehealth in the same manner as if the service or consultation was
 199.27 delivered ~~in person through in-person contact.~~ ~~Coverage is limited to three telemedicine~~
 199.28 ~~services per enrollee per calendar week, except as provided in paragraph (f).~~ ~~Telemedicine~~
 199.29 Services or consultations delivered through telehealth shall be paid at the full allowable
 199.30 rate.

199.31 (b) The commissioner ~~shall~~ may establish criteria that a health care provider must attest
 199.32 to in order to demonstrate the safety or efficacy of delivering a particular service ~~via~~
 199.33 ~~telemedicine~~ through telehealth. The attestation may include that the health care provider:

200.1 (1) has identified the categories or types of services the health care provider will provide
200.2 ~~via telemedicine~~ through telehealth;

200.3 (2) has written policies and procedures specific to ~~telemedicine~~ services delivered through
200.4 telehealth that are regularly reviewed and updated;

200.5 (3) has policies and procedures that adequately address patient safety before, during,
200.6 and after the ~~telemedicine~~ service is ~~rendered~~ delivered through telehealth;

200.7 (4) has established protocols addressing how and when to discontinue telemedicine
200.8 services; and

200.9 (5) has an established quality assurance process related to ~~telemedicine~~ delivering services
200.10 through telehealth.

200.11 (c) As a condition of payment, a licensed health care provider must document each
200.12 occurrence of a health service ~~provided by telemedicine~~ delivered through telehealth to a
200.13 medical assistance enrollee. Health care service records for services ~~provided by telemedicine~~
200.14 delivered through telehealth must meet the requirements set forth in Minnesota Rules, part
200.15 9505.2175, subparts 1 and 2, and must document:

200.16 (1) the type of service ~~provided by telemedicine~~ delivered through telehealth;

200.17 (2) the time the service began and the time the service ended, including an a.m. and p.m.
200.18 designation;

200.19 (3) the ~~licensed~~ health care provider's basis for determining that ~~telemedicine~~ telehealth
200.20 is an appropriate and effective means for delivering the service to the enrollee;

200.21 (4) the mode of transmission ~~of~~ used to deliver the ~~telemedicine~~ service through telehealth
200.22 and records evidencing that a particular mode of transmission was utilized;

200.23 (5) the location of the originating site and the distant site;

200.24 (6) if the claim for payment is based on a physician's ~~telemedicine~~ consultation with
200.25 another physician through telehealth, the written opinion from the consulting physician
200.26 providing the ~~telemedicine~~ telehealth consultation; and

200.27 (7) compliance with the criteria attested to by the health care provider in accordance
200.28 with paragraph (b).

200.29 (d) Telehealth visits, as described in this subdivision provided through audio and visual
200.30 communication, may be used to satisfy the face-to-face requirement for reimbursement
200.31 under the payment methods that apply to a federally qualified health center, rural health

201.1 clinic, Indian health service, 638 tribal clinic, and certified community behavioral health
201.2 clinic, if the service would have otherwise qualified for payment if performed in person.

201.3 (e) For mental health services or assessments delivered through telehealth that are based
201.4 on an individual treatment plan, the provider may document the client's verbal approval or
201.5 electronic written approval of the treatment plan or change in the treatment plan in lieu of
201.6 the client's signature in accordance with Minnesota Rules, part 9505.0371.

201.7 ~~(d) (f) For purposes of this subdivision, unless otherwise covered under this chapter,~~
201.8 ~~"telemedicine" is defined as the delivery of health care services or consultations while the~~
201.9 ~~patient is at an originating site and the licensed health care provider is at a distant site. A~~
201.10 ~~communication between licensed health care providers, or a licensed health care provider~~
201.11 ~~and a patient that consists solely of a telephone conversation, e-mail, or facsimile transmission~~
201.12 ~~does not constitute telemedicine consultations or services. Telemedicine may be provided~~
201.13 ~~by means of real-time two-way, interactive audio and visual communications, including the~~
201.14 ~~application of secure video conferencing or store-and-forward technology to provide or~~
201.15 ~~support health care delivery, which facilitate the assessment, diagnosis, consultation,~~
201.16 ~~treatment, education, and care management of a patient's health care.:~~

201.17 (1) "telehealth" means the delivery of health care services or consultations through the
201.18 use of real time two-way interactive audio and visual communication to provide or support
201.19 health care delivery and facilitate the assessment, diagnosis, consultation, treatment,
201.20 education, and care management of a patient's health care. Telehealth includes the application
201.21 of secure video conferencing, store-and-forward technology, and synchronous interactions
201.22 between a patient located at an originating site and a health care provider located at a distant
201.23 site. Telehealth does not include communication between health care providers, or between
201.24 a health care provider and a patient that consists solely of an audio-only communication,
201.25 e-mail, or facsimile transmission or specified by law;

201.26 ~~(e) For purposes of this section, "licensed (2) "health care provider" means a licensed~~
201.27 ~~health care provider under section 62A.671, subdivision 6 as defined under section 62A.673,~~
201.28 ~~a community paramedic as defined under section 144E.001, subdivision 5f, a clinical trainee~~
201.29 ~~who is qualified according to section 245I.04, subdivision 6, a mental health practitioner~~
201.30 ~~qualified according to section 245I.04, subdivision 4, and a community health worker who~~
201.31 ~~meets the criteria under subdivision 49, paragraph (a); "health care provider" is defined~~
201.32 ~~under section 62A.671, subdivision 3, a mental health certified peer specialist under section~~
201.33 ~~256B.0615, subdivision 5, a mental health certified family peer specialist under section~~
201.34 ~~256B.0616, subdivision 5, a mental health rehabilitation worker under section 256B.0623,~~
201.35 ~~subdivision 5, paragraph (a), clause (4), and paragraph (b), a mental health behavioral aide~~

202.1 under section 256B.0943, subdivision 7, paragraph (b), clause (3), a treatment coordinator
202.2 under section 245G.11, subdivision 7, an alcohol and drug counselor under section 245G.11,
202.3 subdivision 5, a recovery peer under section 245G.11, subdivision 8; and

202.4 (3) "originating site," is defined under section 62A.671, subdivision 7 "distant site," and
202.5 "store-and-forward technology" have the meanings given in section 62A.673, subdivision
202.6 2.

202.7 ~~(f) The limit on coverage of three telemedicine services per enrollee per calendar week~~
202.8 ~~does not apply if:~~

202.9 ~~(1) the telemedicine services provided by the licensed health care provider are for the~~
202.10 ~~treatment and control of tuberculosis; and~~

202.11 ~~(2) the services are provided in a manner consistent with the recommendations and best~~
202.12 ~~practices specified by the Centers for Disease Control and Prevention and the commissioner~~
202.13 ~~of health.~~

202.14 **EFFECTIVE DATE.** This section is effective July 1, 2021, or upon federal approval,
202.15 whichever is later. The commissioner of human services shall notify the revisor of statutes
202.16 when federal approval is obtained.

202.17 Sec. 12. Minnesota Statutes 2020, section 256B.0625, is amended by adding a subdivision
202.18 to read:

202.19 Subd. 3h. **Telemonitoring services.** (a) Medical assistance covers telemonitoring services
202.20 if:

202.21 (1) the telemonitoring service is medically appropriate based on the recipient's medical
202.22 condition or status;

202.23 (2) the recipient's health care provider has identified that telemonitoring services would
202.24 likely prevent the recipient's admission or readmission to a hospital, emergency room, or
202.25 nursing facility;

202.26 (3) the recipient is cognitively and physically capable of operating the monitoring device
202.27 or equipment, or the recipient has a caregiver who is willing and able to assist with the
202.28 monitoring device or equipment; and

202.29 (4) the recipient resides in a setting that is suitable for telemonitoring and not in a setting
202.30 that has health care staff on site.

202.31 (b) For purposes of this subdivision, "telemonitoring services" means the remote
202.32 monitoring of data related to a recipient's vital signs or biometric data by a monitoring

203.1 device or equipment that transmits the data electronically to a provider for analysis. The
203.2 assessment and monitoring of the health data transmitted by telemonitoring must be
203.3 performed by one of the following licensed health care professionals: physician, podiatrist,
203.4 registered nurse, advanced practice registered nurse, physician assistant, respiratory therapist,
203.5 or licensed professional working under the supervision of a medical director.

203.6 **EFFECTIVE DATE.** This section is effective July 1, 2021, or upon federal approval,
203.7 whichever is later. The commissioner of human services shall notify the revisor of statutes
203.8 when federal approval is obtained.

203.9 Sec. 13. Minnesota Statutes 2020, section 256B.0625, subdivision 13h, is amended to
203.10 read:

203.11 Subd. 13h. **Medication therapy management services.** (a) Medical assistance covers
203.12 medication therapy management services for a recipient taking prescriptions to treat or
203.13 prevent one or more chronic medical conditions. For purposes of this subdivision,
203.14 "medication therapy management" means the provision of the following pharmaceutical
203.15 care services by a licensed pharmacist to optimize the therapeutic outcomes of the patient's
203.16 medications:

203.17 (1) performing or obtaining necessary assessments of the patient's health status;

203.18 (2) formulating a medication treatment plan, which may include prescribing medications
203.19 or products in accordance with section 151.37, subdivision 14, 15, or 16;

203.20 (3) monitoring and evaluating the patient's response to therapy, including safety and
203.21 effectiveness;

203.22 (4) performing a comprehensive medication review to identify, resolve, and prevent
203.23 medication-related problems, including adverse drug events;

203.24 (5) documenting the care delivered and communicating essential information to the
203.25 patient's other primary care providers;

203.26 (6) providing verbal education and training designed to enhance patient understanding
203.27 and appropriate use of the patient's medications;

203.28 (7) providing information, support services, and resources designed to enhance patient
203.29 adherence with the patient's therapeutic regimens; and

203.30 (8) coordinating and integrating medication therapy management services within the
203.31 broader health care management services being provided to the patient.

204.1 Nothing in this subdivision shall be construed to expand or modify the scope of practice of
204.2 the pharmacist as defined in section 151.01, subdivision 27.

204.3 (b) To be eligible for reimbursement for services under this subdivision, a pharmacist
204.4 must meet the following requirements:

204.5 (1) have a valid license issued by the Board of Pharmacy of the state in which the
204.6 medication therapy management service is being performed;

204.7 (2) have graduated from an accredited college of pharmacy on or after May 1996, or
204.8 completed a structured and comprehensive education program approved by the Board of
204.9 Pharmacy and the American Council of Pharmaceutical Education for the provision and
204.10 documentation of pharmaceutical care management services that has both clinical and
204.11 didactic elements; and

204.12 ~~(3) be practicing in an ambulatory care setting as part of a multidisciplinary team or~~
204.13 ~~have developed a structured patient care process that is offered in a private or semiprivate~~
204.14 ~~patient care area that is separate from the commercial business that also occurs in the setting,~~
204.15 ~~or in home settings, including long-term care settings, group homes, and facilities providing~~
204.16 ~~assisted living services, but excluding skilled nursing facilities; and~~

204.17 ~~(4)~~ (3) make use of an electronic patient record system that meets state standards.

204.18 (c) For purposes of reimbursement for medication therapy management services, the
204.19 commissioner may enroll individual pharmacists as medical assistance providers. The
204.20 commissioner may also establish ~~contact requirements between the pharmacist and recipient,~~
204.21 ~~including limiting~~ limits on the number of reimbursable consultations per recipient.

204.22 ~~(d) If there are no pharmacists who meet the requirements of paragraph (b) practicing~~
204.23 ~~within a reasonable geographic distance of the patient, a pharmacist who meets the~~
204.24 ~~requirements may provide~~ The Medication therapy management services may be provided
204.25 via two-way interactive video telehealth as defined in subdivision 3b and may be delivered
204.26 into a patient's residence. Reimbursement shall be at the same rates and under the same
204.27 conditions that would otherwise apply to the services provided. To qualify for reimbursement
204.28 under this paragraph, the pharmacist providing the services must meet the requirements of
204.29 paragraph (b), ~~and must be located within an ambulatory care setting that meets the~~
204.30 ~~requirements of paragraph (b), clause (3).~~ The patient must also be located within an
204.31 ambulatory care setting that meets the requirements of paragraph (b), clause (3). ~~Services~~
204.32 ~~provided under this paragraph may not be transmitted into the patient's residence.~~

205.1 ~~(e) Medication therapy management services may be delivered into a patient's residence~~
 205.2 ~~via secure interactive video if the medication therapy management services are performed~~
 205.3 ~~electronically during a covered home care visit by an enrolled provider. Reimbursement~~
 205.4 ~~shall be at the same rates and under the same conditions that would otherwise apply to the~~
 205.5 ~~services provided. To qualify for reimbursement under this paragraph, the pharmacist~~
 205.6 ~~providing the services must meet the requirements of paragraph (b) and must be located~~
 205.7 ~~within an ambulatory care setting that meets the requirements of paragraph (b), clause (3).~~

205.8 EFFECTIVE DATE. This section is effective July 1, 2021, or upon federal approval,
 205.9 whichever is later. The commissioner of human services shall notify the revisor of statutes
 205.10 when federal approval is obtained.

205.11 Sec. 14. Minnesota Statutes 2020, section 256B.0625, subdivision 20, is amended to read:

205.12 Subd. 20. **Mental health case management.** (a) To the extent authorized by rule of the
 205.13 state agency, medical assistance covers case management services to persons with serious
 205.14 and persistent mental illness and children with severe emotional disturbance. Services
 205.15 provided under this section must meet the relevant standards in sections 245.461 to 245.4887,
 205.16 the Comprehensive Adult and Children's Mental Health Acts, Minnesota Rules, parts
 205.17 9520.0900 to 9520.0926, and 9505.0322, excluding subpart 10.

205.18 (b) Entities meeting program standards set out in rules governing family community
 205.19 support services as defined in section 245.4871, subdivision 17, are eligible for medical
 205.20 assistance reimbursement for case management services for children with severe emotional
 205.21 disturbance when these services meet the program standards in Minnesota Rules, parts
 205.22 9520.0900 to 9520.0926 and 9505.0322, excluding subparts 6 and 10.

205.23 (c) Medical assistance and MinnesotaCare payment for mental health case management
 205.24 shall be made on a monthly basis. In order to receive payment for an eligible child, the
 205.25 provider must document at least a face-to-face contact either in person or by interactive
 205.26 video that meets the requirements of subdivision 20b with the child, the child's parents, or
 205.27 the child's legal representative. To receive payment for an eligible adult, the provider must
 205.28 document:

205.29 (1) at least a face-to-face contact with the adult or the adult's legal representative ~~or a~~
 205.30 ~~contact by interactive video~~ either in person or by interactive video that meets the
 205.31 requirements of subdivision 20b; or

205.32 (2) at least a telephone contact with the adult or the adult's legal representative and
 205.33 document a face-to-face contact ~~or a contact by interactive video~~ either in person or by

206.1 interactive video that meets the requirements of subdivision 20b with the adult or the adult's
206.2 legal representative within the preceding two months.

206.3 (d) Payment for mental health case management provided by county or state staff shall
206.4 be based on the monthly rate methodology under section 256B.094, subdivision 6, paragraph
206.5 (b), with separate rates calculated for child welfare and mental health, and within mental
206.6 health, separate rates for children and adults.

206.7 (e) Payment for mental health case management provided by Indian health services or
206.8 by agencies operated by Indian tribes may be made according to this section or other relevant
206.9 federally approved rate setting methodology.

206.10 (f) Payment for mental health case management provided by vendors who contract with
206.11 a county or Indian tribe shall be based on a monthly rate negotiated by the host county or
206.12 tribe. The negotiated rate must not exceed the rate charged by the vendor for the same
206.13 service to other payers. If the service is provided by a team of contracted vendors, the county
206.14 or tribe may negotiate a team rate with a vendor who is a member of the team. The team
206.15 shall determine how to distribute the rate among its members. No reimbursement received
206.16 by contracted vendors shall be returned to the county or tribe, except to reimburse the county
206.17 or tribe for advance funding provided by the county or tribe to the vendor.

206.18 (g) If the service is provided by a team which includes contracted vendors, tribal staff,
206.19 and county or state staff, the costs for county or state staff participation in the team shall be
206.20 included in the rate for county-provided services. In this case, the contracted vendor, the
206.21 tribal agency, and the county may each receive separate payment for services provided by
206.22 each entity in the same month. In order to prevent duplication of services, each entity must
206.23 document, in the recipient's file, the need for team case management and a description of
206.24 the roles of the team members.

206.25 (h) Notwithstanding section 256B.19, subdivision 1, the nonfederal share of costs for
206.26 mental health case management shall be provided by the recipient's county of responsibility,
206.27 as defined in sections 256G.01 to 256G.12, from sources other than federal funds or funds
206.28 used to match other federal funds. If the service is provided by a tribal agency, the nonfederal
206.29 share, if any, shall be provided by the recipient's tribe. When this service is paid by the state
206.30 without a federal share through fee-for-service, 50 percent of the cost shall be provided by
206.31 the recipient's county of responsibility.

206.32 (i) Notwithstanding any administrative rule to the contrary, prepaid medical assistance
206.33 and MinnesotaCare include mental health case management. When the service is provided

207.1 through prepaid capitation, the nonfederal share is paid by the state and the county pays no
207.2 share.

207.3 (j) The commissioner may suspend, reduce, or terminate the reimbursement to a provider
207.4 that does not meet the reporting or other requirements of this section. The county of
207.5 responsibility, as defined in sections 256G.01 to 256G.12, or, if applicable, the tribal agency,
207.6 is responsible for any federal disallowances. The county or tribe may share this responsibility
207.7 with its contracted vendors.

207.8 (k) The commissioner shall set aside a portion of the federal funds earned for county
207.9 expenditures under this section to repay the special revenue maximization account under
207.10 section 256.01, subdivision 2, paragraph (o). The repayment is limited to:

207.11 (1) the costs of developing and implementing this section; and

207.12 (2) programming the information systems.

207.13 (l) Payments to counties and tribal agencies for case management expenditures under
207.14 this section shall only be made from federal earnings from services provided under this
207.15 section. When this service is paid by the state without a federal share through fee-for-service,
207.16 50 percent of the cost shall be provided by the state. Payments to county-contracted vendors
207.17 shall include the federal earnings, the state share, and the county share.

207.18 (m) Case management services under this subdivision do not include therapy, treatment,
207.19 legal, or outreach services.

207.20 (n) If the recipient is a resident of a nursing facility, intermediate care facility, or hospital,
207.21 and the recipient's institutional care is paid by medical assistance, payment for case
207.22 management services under this subdivision is limited to the lesser of:

207.23 (1) the last 180 days of the recipient's residency in that facility and may not exceed more
207.24 than six months in a calendar year; or

207.25 (2) the limits and conditions which apply to federal Medicaid funding for this service.

207.26 (o) Payment for case management services under this subdivision shall not duplicate
207.27 payments made under other program authorities for the same purpose.

207.28 (p) If the recipient is receiving care in a hospital, nursing facility, or residential setting
207.29 licensed under chapter 245A or 245D that is staffed 24 hours a day, seven days a week,
207.30 mental health targeted case management services must actively support identification of
207.31 community alternatives for the recipient and discharge planning.

208.1 **EFFECTIVE DATE.** This section is effective July 1, 2021, or upon federal approval,
208.2 whichever is later. The commissioner of human services shall notify the revisor of statutes
208.3 when federal approval is obtained.

208.4 Sec. 15. Minnesota Statutes 2020, section 256B.0625, subdivision 20b, is amended to
208.5 read:

208.6 Subd. 20b. ~~Mental health~~ **Targeted case management through interactive video.** (a)
208.7 ~~Subject to federal approval, contact made for targeted case management by interactive video~~
208.8 ~~shall be eligible for payment if:~~ Minimum required face-to-face contacts for targeted case
208.9 management may be provided through interactive video if interactive video is in the best
208.10 interests of the person and is deemed appropriate by the person receiving targeted case
208.11 management or the person's legal guardian and the case management provider.

208.12 ~~(1) the person receiving targeted case management services is residing in:~~

208.13 ~~(i) a hospital;~~

208.14 ~~(ii) a nursing facility; or~~

208.15 ~~(iii) a residential setting licensed under chapter 245A or 245D or a boarding and lodging~~
208.16 ~~establishment or lodging establishment that provides supportive services or health supervision~~
208.17 ~~services according to section 157.17 that is staffed 24 hours a day, seven days a week;~~

208.18 ~~(2) interactive video is in the best interests of the person and is deemed appropriate by~~
208.19 ~~the person receiving targeted case management or the person's legal guardian, the case~~
208.20 ~~management provider, and the provider operating the setting where the person is residing;~~

208.21 ~~(3) the use of interactive video is approved as part of the person's written personal service~~
208.22 ~~or case plan, taking into consideration the person's vulnerability and active personal~~
208.23 ~~relationships; and~~

208.24 ~~(4) interactive video is used for up to, but not more than, 50 percent of the minimum~~
208.25 ~~required face-to-face contact.~~

208.26 (b) The person receiving targeted case management or the person's legal guardian has
208.27 the right to choose and consent to the use of interactive video under this subdivision and
208.28 has the right to refuse the use of interactive video at any time.

208.29 (c) The commissioner ~~shall~~ may establish criteria that a targeted case management
208.30 provider must attest to in order to demonstrate the safety or efficacy of ~~delivering the service~~
208.31 ~~via interactive video. The attestation may include that the case management provider has:~~

209.1 meeting the minimum face-to-face contact requirements for targeted case management
209.2 through interactive video.

209.3 ~~(1) written policies and procedures specific to interactive video services that are regularly~~
209.4 ~~reviewed and updated;~~

209.5 ~~(2) policies and procedures that adequately address client safety before, during, and after~~
209.6 ~~the interactive video services are rendered;~~

209.7 ~~(3) established protocols addressing how and when to discontinue interactive video~~
209.8 ~~services; and~~

209.9 ~~(4) established a quality assurance process related to interactive video services.~~

209.10 (d) As a condition of payment, the targeted case management provider must document
209.11 the following for each occurrence of targeted case management provided by interactive
209.12 video for the purpose of face-to-face contact:

209.13 (1) the time the ~~service~~ contact began and the time the ~~service~~ contact ended, including
209.14 an a.m. and p.m. designation;

209.15 (2) the basis for determining that interactive video is an appropriate and effective means
209.16 ~~for delivering the service to~~ contacting the person receiving targeted case management
209.17 services;

209.18 (3) the mode of transmission ~~of the interactive video~~ used to deliver the services and
209.19 records ~~evidencing~~ stating that a particular mode of transmission was utilized; and

209.20 (4) the location of the originating site and the distant site; ~~and.~~

209.21 ~~(5) compliance with the criteria attested to by the targeted case management provider~~
209.22 ~~as provided in paragraph (c).~~

209.23 (e) Interactive video must not be used to meet minimum face-to-face contact requirements
209.24 for children who are in out-of-home placement or receiving case management services for
209.25 child protection reasons.

209.26 (f) For purposes of this subdivision, "interactive video" means the delivery of targeted
209.27 case management services in real time through the use of two-way interactive audio and
209.28 visual communication.

209.29 **EFFECTIVE DATE.** This section is effective July 1, 2021, or upon federal approval,
209.30 whichever is later. The commissioner of human services shall notify the revisor of statutes
209.31 when federal approval is obtained.

210.1 Sec. 16. Minnesota Statutes 2020, section 256B.0625, subdivision 46, is amended to read:

210.2 Subd. 46. **Mental health telemedicine telehealth.** ~~Effective January 1, 2006, and Subject~~
210.3 ~~to federal approval, mental health services that are otherwise covered by medical assistance~~
210.4 ~~as direct face-to-face services may be provided via two-way interactive video telehealth in~~
210.5 ~~accordance with subdivision 3b. Use of two-way interactive video must be medically~~
210.6 ~~appropriate to the condition and needs of the person being served. Reimbursement is at the~~
210.7 ~~same rates and under the same conditions that would otherwise apply to the service. The~~
210.8 ~~interactive video equipment and connection must comply with Medicare standards in effect~~
210.9 ~~at the time the service is provided.~~

210.10 Sec. 17. Minnesota Statutes 2020, section 256B.0911, subdivision 1a, is amended to read:

210.11 Subd. 1a. **Definitions.** For purposes of this section, the following definitions apply:

210.12 (a) Until additional requirements apply under paragraph (b), "long-term care consultation
210.13 services" means:

210.14 (1) intake for and access to assistance in identifying services needed to maintain an
210.15 individual in the most inclusive environment;

210.16 (2) providing recommendations for and referrals to cost-effective community services
210.17 that are available to the individual;

210.18 (3) development of an individual's person-centered community support plan;

210.19 (4) providing information regarding eligibility for Minnesota health care programs;

210.20 (5) ~~face-to-face~~ long-term care consultation assessments conducted according to
210.21 subdivision 3a, which may be completed in a hospital, nursing facility, intermediate care
210.22 facility for persons with developmental disabilities (ICF/DDs), regional treatment centers,
210.23 or the person's current or planned residence;

210.24 (6) determination of home and community-based waiver and other service eligibility as
210.25 required under chapter 256S and sections 256B.0913, 256B.092, and 256B.49, including
210.26 level of care determination for individuals who need an institutional level of care as
210.27 determined under subdivision 4e, based on a long-term care consultation assessment and
210.28 community support plan development, appropriate referrals to obtain necessary diagnostic
210.29 information, and including an eligibility determination for consumer-directed community
210.30 supports;

210.31 (7) providing recommendations for institutional placement when there are no
210.32 cost-effective community services available;

211.1 (8) providing access to assistance to transition people back to community settings after
211.2 institutional admission;

211.3 (9) providing information about competitive employment, with or without supports, for
211.4 school-age youth and working-age adults and referrals to the Disability Hub and Disability
211.5 Benefits 101 to ensure that an informed choice about competitive employment can be made.
211.6 For the purposes of this subdivision, "competitive employment" means work in the
211.7 competitive labor market that is performed on a full-time or part-time basis in an integrated
211.8 setting, and for which an individual is compensated at or above the minimum wage, but not
211.9 less than the customary wage and level of benefits paid by the employer for the same or
211.10 similar work performed by individuals without disabilities;

211.11 (10) providing information about independent living to ensure that an informed choice
211.12 about independent living can be made; and

211.13 (11) providing information about self-directed services and supports, including
211.14 self-directed funding options, to ensure that an informed choice about self-directed options
211.15 can be made.

211.16 (b) Upon statewide implementation of lead agency requirements in subdivisions 2b, 2c,
211.17 and 3a, "long-term care consultation services" also means:

211.18 (1) service eligibility determination for the following state plan services:

211.19 (i) personal care assistance services under section 256B.0625, subdivisions 19a and 19c;

211.20 (ii) consumer support grants under section 256.476; or

211.21 (iii) community first services and supports under section 256B.85;

211.22 (2) notwithstanding provisions in Minnesota Rules, parts 9525.0004 to 9525.0024,
211.23 gaining access to:

211.24 (i) relocation targeted case management services available under section 256B.0621,
211.25 subdivision 2, clause (4);

211.26 (ii) case management services targeted to vulnerable adults or developmental disabilities
211.27 under section 256B.0924; and

211.28 (iii) case management services targeted to people with developmental disabilities under
211.29 Minnesota Rules, part 9525.0016;

211.30 (3) determination of eligibility for semi-independent living services under section
211.31 252.275; and

212.1 (4) obtaining necessary diagnostic information to determine eligibility under clauses (2)
212.2 and (3).

212.3 (c) "Long-term care options counseling" means the services provided by sections 256.01,
212.4 subdivision 24, and 256.975, subdivision 7, and also includes telephone assistance and
212.5 follow up once a long-term care consultation assessment has been completed.

212.6 (d) "Minnesota health care programs" means the medical assistance program under this
212.7 chapter and the alternative care program under section 256B.0913.

212.8 (e) "Lead agencies" means counties administering or tribes and health plans under
212.9 contract with the commissioner to administer long-term care consultation services.

212.10 (f) "Person-centered planning" is a process that includes the active participation of a
212.11 person in the planning of the person's services, including in making meaningful and informed
212.12 choices about the person's own goals, talents, and objectives, as well as making meaningful
212.13 and informed choices about the services the person receives, the settings in which the person
212.14 receives the services, and the setting in which the person lives.

212.15 (g) "Informed choice" means a voluntary choice of services, settings, living arrangement,
212.16 and work by a person from all available service and setting options based on accurate and
212.17 complete information concerning all available service and setting options and concerning
212.18 the person's own preferences, abilities, goals, and objectives. In order for a person to make
212.19 an informed choice, all available options must be developed and presented to the person in
212.20 a way the person can understand to empower the person to make fully informed choices.

212.21 (h) "Available service and setting options" or "available options," with respect to the
212.22 home and community-based waivers under chapter 256S and sections 256B.092 and 256B.49,
212.23 means all services and settings defined under the waiver plan for which a waiver applicant
212.24 or waiver participant is eligible.

212.25 (i) "Independent living" means living in a setting that is not controlled by a provider.

212.26 Sec. 18. Minnesota Statutes 2020, section 256B.0911, subdivision 3a, as amended by
212.27 Laws 2021, chapter 30, article 12, section 2, is amended to read:

212.28 Subd. 3a. **Assessment and support planning.** (a) Persons requesting assessment, services
212.29 planning, or other assistance intended to support community-based living, including persons
212.30 who need assessment in order to determine waiver or alternative care program eligibility,
212.31 must be visited by a long-term care consultation team within 20 calendar days after the date
212.32 on which an assessment was requested or recommended. Upon statewide implementation
212.33 of subdivisions 2b, 2c, and 5, this requirement also applies to an assessment of a person

213.1 requesting personal care assistance services. The commissioner shall provide at least a
213.2 90-day notice to lead agencies prior to the effective date of this requirement. ~~Face-to-face~~
213.3 Assessments must be conducted according to paragraphs (b) to ~~(i)~~ (r).

213.4 (b) Upon implementation of subdivisions 2b, 2c, and 5, lead agencies shall use certified
213.5 assessors to conduct the assessment. For a person with complex health care needs, a public
213.6 health or registered nurse from the team must be consulted.

213.7 (c) The MnCHOICES assessment provided by the commissioner to lead agencies must
213.8 be used to complete a comprehensive, conversation-based, person-centered assessment.
213.9 The assessment must include the health, psychological, functional, environmental, and
213.10 social needs of the individual necessary to develop a person-centered community support
213.11 plan that meets the individual's needs and preferences.

213.12 (d) Except as provided in paragraph (r), the assessment must be conducted by a certified
213.13 assessor in a face-to-face conversational interview with the person being assessed. The
213.14 person's legal representative must provide input during the assessment process and may do
213.15 so remotely if requested. At the request of the person, other individuals may participate in
213.16 the assessment to provide information on the needs, strengths, and preferences of the person
213.17 necessary to develop a community support plan that ensures the person's health and safety.
213.18 Except for legal representatives or family members invited by the person, persons
213.19 participating in the assessment may not be a provider of service or have any financial interest
213.20 in the provision of services. For persons who are to be assessed for elderly waiver customized
213.21 living or adult day services under chapter 256S, with the permission of the person being
213.22 assessed or the person's designated or legal representative, the client's current or proposed
213.23 provider of services may submit a copy of the provider's nursing assessment or written
213.24 report outlining its recommendations regarding the client's care needs. The person conducting
213.25 the assessment must notify the provider of the date by which this information is to be
213.26 submitted. This information shall be provided to the person conducting the assessment prior
213.27 to the assessment. For a person who is to be assessed for waiver services under section
213.28 256B.092 or 256B.49, with the permission of the person being assessed or the person's
213.29 designated legal representative, the person's current provider of services may submit a
213.30 written report outlining recommendations regarding the person's care needs the person
213.31 completed in consultation with someone who is known to the person and has interaction
213.32 with the person on a regular basis. The provider must submit the report at least 60 days
213.33 before the end of the person's current service agreement. The certified assessor must consider
213.34 the content of the submitted report prior to finalizing the person's assessment or reassessment.

214.1 (e) The certified assessor and the individual responsible for developing the coordinated
214.2 service and support plan must complete the community support plan and the coordinated
214.3 service and support plan no more than 60 calendar days from the assessment visit. The
214.4 person or the person's legal representative must be provided with a written community
214.5 support plan within the timelines established by the commissioner, regardless of whether
214.6 the person is eligible for Minnesota health care programs.

214.7 (f) For a person being assessed for elderly waiver services under chapter 256S, a provider
214.8 who submitted information under paragraph (d) shall receive the final written community
214.9 support plan when available and the Residential Services Workbook.

214.10 (g) The written community support plan must include:

214.11 (1) a summary of assessed needs as defined in paragraphs (c) and (d);

214.12 (2) the individual's options and choices to meet identified needs, including:

214.13 (i) all available options for case management services and providers;

214.14 (ii) all available options for employment services, settings, and providers;

214.15 (iii) all available options for living arrangements;

214.16 (iv) all available options for self-directed services and supports, including self-directed
214.17 budget options; and

214.18 (v) service provided in a non-disability-specific setting;

214.19 (3) identification of health and safety risks and how those risks will be addressed,
214.20 including personal risk management strategies;

214.21 (4) referral information; and

214.22 (5) informal caregiver supports, if applicable.

214.23 For a person determined eligible for state plan home care under subdivision 1a, paragraph
214.24 (b), clause (1), the person or person's representative must also receive a copy of the home
214.25 care service plan developed by the certified assessor.

214.26 (h) A person may request assistance in identifying community supports without
214.27 participating in a complete assessment. Upon a request for assistance identifying community
214.28 support, the person must be transferred or referred to long-term care options counseling
214.29 services available under sections 256.975, subdivision 7, and 256.01, subdivision 24, for
214.30 telephone assistance and follow up.

214.31 (i) The person has the right to make the final decision:

215.1 (1) between institutional placement and community placement after the recommendations
215.2 have been provided, except as provided in section 256.975, subdivision 7a, paragraph (d);

215.3 (2) between community placement in a setting controlled by a provider and living
215.4 independently in a setting not controlled by a provider;

215.5 (3) between day services and employment services; and

215.6 (4) regarding available options for self-directed services and supports, including
215.7 self-directed funding options.

215.8 (j) The lead agency must give the person receiving long-term care consultation services
215.9 or the person's legal representative, materials, and forms supplied by the commissioner
215.10 containing the following information:

215.11 (1) written recommendations for community-based services and consumer-directed
215.12 options;

215.13 (2) documentation that the most cost-effective alternatives available were offered to the
215.14 individual. For purposes of this clause, "cost-effective" means community services and
215.15 living arrangements that cost the same as or less than institutional care. For an individual
215.16 found to meet eligibility criteria for home and community-based service programs under
215.17 chapter 256S or section 256B.49, "cost-effectiveness" has the meaning found in the federally
215.18 approved waiver plan for each program;

215.19 (3) the need for and purpose of preadmission screening conducted by long-term care
215.20 options counselors according to section 256.975, subdivisions 7a to 7c, if the person selects
215.21 nursing facility placement. If the individual selects nursing facility placement, the lead
215.22 agency shall forward information needed to complete the level of care determinations and
215.23 screening for developmental disability and mental illness collected during the assessment
215.24 to the long-term care options counselor using forms provided by the commissioner;

215.25 (4) the role of long-term care consultation assessment and support planning in eligibility
215.26 determination for waiver and alternative care programs, and state plan home care, case
215.27 management, and other services as defined in subdivision 1a, paragraphs (a), clause (6),
215.28 and (b);

215.29 (5) information about Minnesota health care programs;

215.30 (6) the person's freedom to accept or reject the recommendations of the team;

215.31 (7) the person's right to confidentiality under the Minnesota Government Data Practices
215.32 Act, chapter 13;

216.1 (8) the certified assessor's decision regarding the person's need for institutional level of
216.2 care as determined under criteria established in subdivision 4e and the certified assessor's
216.3 decision regarding eligibility for all services and programs as defined in subdivision 1a,
216.4 paragraphs (a), clause (6), and (b);

216.5 (9) the person's right to appeal the certified assessor's decision regarding eligibility for
216.6 all services and programs as defined in subdivision 1a, paragraphs (a), clauses (6), (7), and
216.7 (8), and (b), and incorporating the decision regarding the need for institutional level of care
216.8 or the lead agency's final decisions regarding public programs eligibility according to section
216.9 256.045, subdivision 3. The certified assessor must verbally communicate this appeal right
216.10 to the person and must visually point out where in the document the right to appeal is stated;
216.11 and

216.12 (10) documentation that available options for employment services, independent living,
216.13 and self-directed services and supports were described to the individual.

216.14 (k) ~~Face-to-face~~ An assessment that is completed as part of an eligibility determination
216.15 for multiple programs for the alternative care, elderly waiver, developmental disabilities,
216.16 community access for disability inclusion, community alternative care, and brain injury
216.17 waiver programs under chapter 256S and sections 256B.0913, 256B.092, and 256B.49 is
216.18 valid to establish service eligibility for no more than 60 calendar days after the date of the
216.19 assessment.

216.20 (l) The effective eligibility start date for programs in paragraph (k) can never be prior
216.21 to the date of assessment. If an assessment was completed more than 60 days before the
216.22 effective waiver or alternative care program eligibility start date, assessment and support
216.23 plan information must be updated and documented in the department's Medicaid Management
216.24 Information System (MMIS). Notwithstanding retroactive medical assistance coverage of
216.25 state plan services, the effective date of eligibility for programs included in paragraph (k)
216.26 cannot be prior to the date the most recent updated assessment is completed.

216.27 (m) If an eligibility update is completed within 90 days of the previous ~~face-to-face~~
216.28 assessment and documented in the department's Medicaid Management Information System
216.29 (MMIS), the effective date of eligibility for programs included in paragraph (k) is the date
216.30 of the previous face-to-face assessment when all other eligibility requirements are met.

216.31 (n) If a person who receives home and community-based waiver services under section
216.32 256B.0913, 256B.092, or 256B.49 or chapter 256S temporarily enters for 121 days or fewer
216.33 a hospital, institution of mental disease, nursing facility, intensive residential treatment
216.34 services program, transitional care unit, or inpatient substance use disorder treatment setting,

217.1 the person may return to the community with home and community-based waiver services
217.2 under the same waiver, without requiring an assessment or reassessment under this section,
217.3 unless the person's annual reassessment is otherwise due. Nothing in this paragraph shall
217.4 change annual long-term care consultation reassessment requirements, payment for
217.5 institutional or treatment services, medical assistance financial eligibility, or any other law.

217.6 (o) At the time of reassessment, the certified assessor shall assess each person receiving
217.7 waiver residential supports and services currently residing in a community residential setting,
217.8 licensed adult foster care home that is either not the primary residence of the license holder
217.9 or in which the license holder is not the primary caregiver, family adult foster care residence,
217.10 customized living setting, or supervised living facility to determine if that person would
217.11 prefer to be served in a community-living setting as defined in section 256B.49, subdivision
217.12 23, in a setting not controlled by a provider, or to receive integrated community supports
217.13 as described in section 245D.03, subdivision 1, paragraph (c), clause (8). The certified
217.14 assessor shall offer the person, through a person-centered planning process, the option to
217.15 receive alternative housing and service options.

217.16 (p) At the time of reassessment, the certified assessor shall assess each person receiving
217.17 waiver day services to determine if that person would prefer to receive employment services
217.18 as described in section 245D.03, subdivision 1, paragraph (c), clauses (5) to (7). The certified
217.19 assessor shall describe to the person through a person-centered planning process the option
217.20 to receive employment services.

217.21 (q) At the time of reassessment, the certified assessor shall assess each person receiving
217.22 non-self-directed waiver services to determine if that person would prefer an available
217.23 service and setting option that would permit self-directed services and supports. The certified
217.24 assessor shall describe to the person through a person-centered planning process the option
217.25 to receive self-directed services and supports.

217.26 (r) All assessments performed according to this subdivision must be face-to-face unless
217.27 the assessment is a reassessment meeting the requirements of this paragraph. Remote
217.28 reassessments conducted by interactive video or telephone may substitute for face-to-face
217.29 reassessments. For services provided by the developmental disabilities waiver under section
217.30 256B.092, and the community access for disability inclusion, community alternative care,
217.31 and brain injury waiver programs under section 256B.49, remote reassessments may be
217.32 substituted for two consecutive reassessments if followed by a face-to-face reassessment.
217.33 For services provided by alternative care under section 256B.0913, essential community
217.34 supports under section 256B.0922, and the elderly waiver under chapter 256S, remote
217.35 reassessments may be substituted for one reassessment if followed by a face-to-face

218.1 reassessment. A remote reassessment is permitted only if the person being reassessed, or
218.2 the person's legal representative, and the lead agency case manager both agree that there is
218.3 no change in the person's condition, there is no need for a change in service, and that a
218.4 remote reassessment is appropriate. The person being reassessed, or the person's legal
218.5 representative, has the right to refuse a remote reassessment at any time. During a remote
218.6 reassessment, if the certified assessor determines a face-to-face reassessment is necessary
218.7 in order to complete the assessment, the lead agency shall schedule a face-to-face
218.8 reassessment. All other requirements of a face-to-face reassessment shall apply to a remote
218.9 reassessment, including updates to a person's support plan.

218.10 **EFFECTIVE DATE.** This section is effective July 1, 2021, or upon federal approval,
218.11 whichever is later. The commissioner of human services shall notify the revisor of statutes
218.12 when federal approval is obtained.

218.13 Sec. 19. Minnesota Statutes 2020, section 256B.0911, subdivision 3f, is amended to read:

218.14 Subd. 3f. **Long-term care reassessments and community support plan updates.** (a)
218.15 Prior to a ~~face-to-face~~ reassessment, the certified assessor must review the person's most
218.16 recent assessment. Reassessments must be tailored using the professional judgment of the
218.17 assessor to the person's known needs, strengths, preferences, and circumstances.
218.18 Reassessments provide information to support the person's informed choice and opportunities
218.19 to express choice regarding activities that contribute to quality of life, as well as information
218.20 and opportunity to identify goals related to desired employment, community activities, and
218.21 preferred living environment. Reassessments require a review of the most recent assessment,
218.22 review of the current coordinated service and support plan's effectiveness, monitoring of
218.23 services, and the development of an updated person-centered community support plan.
218.24 Reassessments must verify continued eligibility, offer alternatives as warranted, and provide
218.25 an opportunity for quality assurance of service delivery. ~~Face-to-face~~ Reassessments must
218.26 be conducted annually or as required by federal and state laws and rules. For reassessments,
218.27 the certified assessor and the individual responsible for developing the coordinated service
218.28 and support plan must ensure the continuity of care for the person receiving services and
218.29 complete the updated community support plan and the updated coordinated service and
218.30 support plan no more than 60 days from the reassessment visit.

218.31 (b) The commissioner shall develop mechanisms for providers and case managers to
218.32 share information with the assessor to facilitate a reassessment and support planning process
218.33 tailored to the person's current needs and preferences.

219.1 Sec. 20. Minnesota Statutes 2020, section 256B.0924, subdivision 6, is amended to read:

219.2 Subd. 6. **Payment for targeted case management.** (a) Medical assistance and
219.3 MinnesotaCare payment for targeted case management shall be made on a monthly basis.
219.4 In order to receive payment for an eligible adult, the provider must document at least one
219.5 contact per month and not more than two consecutive months without a face-to-face contact
219.6 either in person or by interactive video that meets the requirements in section 256B.0625,
219.7 subdivision 20b with the adult or the adult's legal representative, family, primary caregiver,
219.8 or other relevant persons identified as necessary to the development or implementation of
219.9 the goals of the personal service plan.

219.10 (b) Payment for targeted case management provided by county staff under this subdivision
219.11 shall be based on the monthly rate methodology under section 256B.094, subdivision 6,
219.12 paragraph (b), calculated as one combined average rate together with adult mental health
219.13 case management under section 256B.0625, subdivision 20, except for calendar year 2002.
219.14 In calendar year 2002, the rate for case management under this section shall be the same as
219.15 the rate for adult mental health case management in effect as of December 31, 2001. Billing
219.16 and payment must identify the recipient's primary population group to allow tracking of
219.17 revenues.

219.18 (c) Payment for targeted case management provided by county-contracted vendors shall
219.19 be based on a monthly rate negotiated by the host county. The negotiated rate must not
219.20 exceed the rate charged by the vendor for the same service to other payers. If the service is
219.21 provided by a team of contracted vendors, the county may negotiate a team rate with a
219.22 vendor who is a member of the team. The team shall determine how to distribute the rate
219.23 among its members. No reimbursement received by contracted vendors shall be returned
219.24 to the county, except to reimburse the county for advance funding provided by the county
219.25 to the vendor.

219.26 (d) If the service is provided by a team that includes contracted vendors and county staff,
219.27 the costs for county staff participation on the team shall be included in the rate for
219.28 county-provided services. In this case, the contracted vendor and the county may each
219.29 receive separate payment for services provided by each entity in the same month. In order
219.30 to prevent duplication of services, the county must document, in the recipient's file, the need
219.31 for team targeted case management and a description of the different roles of the team
219.32 members.

219.33 (e) Notwithstanding section 256B.19, subdivision 1, the nonfederal share of costs for
219.34 targeted case management shall be provided by the recipient's county of responsibility, as

220.1 defined in sections 256G.01 to 256G.12, from sources other than federal funds or funds
220.2 used to match other federal funds.

220.3 (f) The commissioner may suspend, reduce, or terminate reimbursement to a provider
220.4 that does not meet the reporting or other requirements of this section. The county of
220.5 responsibility, as defined in sections 256G.01 to 256G.12, is responsible for any federal
220.6 disallowances. The county may share this responsibility with its contracted vendors.

220.7 (g) The commissioner shall set aside five percent of the federal funds received under
220.8 this section for use in reimbursing the state for costs of developing and implementing this
220.9 section.

220.10 (h) Payments to counties for targeted case management expenditures under this section
220.11 shall only be made from federal earnings from services provided under this section. Payments
220.12 to contracted vendors shall include both the federal earnings and the county share.

220.13 (i) Notwithstanding section 256B.041, county payments for the cost of case management
220.14 services provided by county staff shall not be made to the commissioner of management
220.15 and budget. For the purposes of targeted case management services provided by county
220.16 staff under this section, the centralized disbursement of payments to counties under section
220.17 256B.041 consists only of federal earnings from services provided under this section.

220.18 (j) If the recipient is a resident of a nursing facility, intermediate care facility, or hospital,
220.19 and the recipient's institutional care is paid by medical assistance, payment for targeted case
220.20 management services under this subdivision is limited to the lesser of:

220.21 (1) the last 180 days of the recipient's residency in that facility; or

220.22 (2) the limits and conditions which apply to federal Medicaid funding for this service.

220.23 (k) Payment for targeted case management services under this subdivision shall not
220.24 duplicate payments made under other program authorities for the same purpose.

220.25 (l) Any growth in targeted case management services and cost increases under this
220.26 section shall be the responsibility of the counties.

220.27 EFFECTIVE DATE. This section is effective July 1, 2021, or upon federal approval,
220.28 whichever is later. The commissioner of human services shall notify the revisor of statutes
220.29 when federal approval is obtained.

220.30 Sec. 21. Minnesota Statutes 2020, section 256B.094, subdivision 6, is amended to read:

220.31 Subd. 6. **Medical assistance reimbursement of case management services.** (a) Medical
220.32 assistance reimbursement for services under this section shall be made on a monthly basis.

221.1 Payment is based on face-to-face contacts either in person or by interactive video, or
221.2 telephone contacts between the case manager and the client, client's family, primary caregiver,
221.3 legal representative, or other relevant person identified as necessary to the development or
221.4 implementation of the goals of the individual service plan regarding the status of the client,
221.5 the individual service plan, or the goals for the client. These contacts must meet the ~~minimum~~
221.6 ~~standards in clauses (1) and (2)~~ following requirements:

221.7 (1) there must be a face-to-face contact either in person or by interactive video that meets
221.8 the requirements of section 256B.0625, subdivision 20b, at least once a month except as
221.9 provided in clause (2); and

221.10 (2) for a client placed outside of the county of financial responsibility, or a client served
221.11 by tribal social services placed outside the reservation, in an excluded time facility under
221.12 section 256G.02, subdivision 6, or through the Interstate Compact for the Placement of
221.13 Children, section 260.93, and the placement in either case is more than 60 miles beyond
221.14 the county or reservation boundaries, there must be at least one contact per month and not
221.15 more than two consecutive months without a face-to-face, in-person contact.

221.16 (b) Except as provided under paragraph (c), the payment rate is established using time
221.17 study data on activities of provider service staff and reports required under sections 245.482
221.18 and 256.01, subdivision 2, paragraph (p).

221.19 (c) Payments for tribes may be made according to section 256B.0625 or other relevant
221.20 federally approved rate setting methodology for child welfare targeted case management
221.21 provided by Indian health services and facilities operated by a tribe or tribal organization.

221.22 (d) Payment for case management provided by county or tribal social services contracted
221.23 vendors shall be based on a monthly rate negotiated by the host county or tribal social
221.24 services. The negotiated rate must not exceed the rate charged by the vendor for the same
221.25 service to other payers. If the service is provided by a team of contracted vendors, the county
221.26 or tribal social services may negotiate a team rate with a vendor who is a member of the
221.27 team. The team shall determine how to distribute the rate among its members. No
221.28 reimbursement received by contracted vendors shall be returned to the county or tribal social
221.29 services, except to reimburse the county or tribal social services for advance funding provided
221.30 by the county or tribal social services to the vendor.

221.31 (e) If the service is provided by a team that includes contracted vendors and county or
221.32 tribal social services staff, the costs for county or tribal social services staff participation in
221.33 the team shall be included in the rate for county or tribal social services provided services.
221.34 In this case, the contracted vendor and the county or tribal social services may each receive

222.1 separate payment for services provided by each entity in the same month. To prevent
222.2 duplication of services, each entity must document, in the recipient's file, the need for team
222.3 case management and a description of the roles and services of the team members.

222.4 Separate payment rates may be established for different groups of providers to maximize
222.5 reimbursement as determined by the commissioner. The payment rate will be reviewed
222.6 annually and revised periodically to be consistent with the most recent time study and other
222.7 data. Payment for services will be made upon submission of a valid claim and verification
222.8 of proper documentation described in subdivision 7. Federal administrative revenue earned
222.9 through the time study, or under paragraph (c), shall be distributed according to earnings,
222.10 to counties, reservations, or groups of counties or reservations which have the same payment
222.11 rate under this subdivision, and to the group of counties or reservations which are not
222.12 certified providers under section 256F.10. The commissioner shall modify the requirements
222.13 set out in Minnesota Rules, parts 9550.0300 to 9550.0370, as necessary to accomplish this.

222.14 **EFFECTIVE DATE.** This section is effective July 1, 2021, or upon federal approval,
222.15 whichever is later. The commissioner of human services shall notify the revisor of statutes
222.16 when federal approval is obtained.

222.17 Sec. 22. Minnesota Statutes 2020, section 256B.0943, subdivision 1, as amended by Laws
222.18 2021, chapter 30, article 17, section 81, is amended to read:

222.19 Subdivision 1. **Definitions.** For purposes of this section, the following terms have the
222.20 meanings given them.

222.21 (a) "Children's therapeutic services and supports" means the flexible package of mental
222.22 health services for children who require varying therapeutic and rehabilitative levels of
222.23 intervention to treat a diagnosed emotional disturbance, as defined in section 245.4871,
222.24 subdivision 15, or a diagnosed mental illness, as defined in section 245.462, subdivision
222.25 20. The services are time-limited interventions that are delivered using various treatment
222.26 modalities and combinations of services designed to reach treatment outcomes identified
222.27 in the individual treatment plan.

222.28 (b) "Clinical trainee" means a staff person who is qualified according to section 245I.04,
222.29 subdivision 6.

222.30 (c) "Crisis planning " has the meaning given in section 245.4871, subdivision 9a.

222.31 (d) "Culturally competent provider" means a provider who understands and can utilize
222.32 to a client's benefit the client's culture when providing services to the client. A provider
222.33 may be culturally competent because the provider is of the same cultural or ethnic group

223.1 as the client or the provider has developed the knowledge and skills through training and
223.2 experience to provide services to culturally diverse clients.

223.3 (e) "Day treatment program" for children means a site-based structured mental health
223.4 program consisting of psychotherapy for three or more individuals and individual or group
223.5 skills training provided by a team, under the treatment supervision of a mental health
223.6 professional.

223.7 (f) "Standard diagnostic assessment" means the assessment described in 245I.10,
223.8 subdivision 6.

223.9 (g) "Direct service time" means the time that a mental health professional, clinical trainee,
223.10 mental health practitioner, or mental health behavioral aide spends face-to-face with a client
223.11 and the client's family or providing covered ~~telemedicine~~ services through telehealth as
223.12 defined under section 256B.0625, subdivision 3b. Direct service time includes time in which
223.13 the provider obtains a client's history, develops a client's treatment plan, records individual
223.14 treatment outcomes, or provides service components of children's therapeutic services and
223.15 supports. Direct service time does not include time doing work before and after providing
223.16 direct services, including scheduling or maintaining clinical records.

223.17 (h) "Direction of mental health behavioral aide" means the activities of a mental health
223.18 professional, clinical trainee, or mental health practitioner in guiding the mental health
223.19 behavioral aide in providing services to a client. The direction of a mental health behavioral
223.20 aide must be based on the client's individual treatment plan and meet the requirements in
223.21 subdivision 6, paragraph (b), clause (5).

223.22 (i) "Emotional disturbance" has the meaning given in section 245.4871, subdivision 15.

223.23 (j) "Individual behavioral plan" means a plan of intervention, treatment, and services
223.24 for a child written by a mental health professional or a clinical trainee or mental health
223.25 practitioner under the treatment supervision of a mental health professional, to guide the
223.26 work of the mental health behavioral aide. The individual behavioral plan may be
223.27 incorporated into the child's individual treatment plan so long as the behavioral plan is
223.28 separately communicable to the mental health behavioral aide.

223.29 (k) "Individual treatment plan" means the plan described in section 245I.10, subdivisions
223.30 7 and 8.

223.31 (l) "Mental health behavioral aide services" means medically necessary one-on-one
223.32 activities performed by a mental health behavioral aide qualified according to section
223.33 245I.04, subdivision 16, to assist a child retain or generalize psychosocial skills as previously

224.1 trained by a mental health professional, clinical trainee, or mental health practitioner and
224.2 as described in the child's individual treatment plan and individual behavior plan. Activities
224.3 involve working directly with the child or child's family as provided in subdivision 9,
224.4 paragraph (b), clause (4).

224.5 (m) "Mental health certified family peer specialist" means a staff person who is qualified
224.6 according to section 245I.04, subdivision 12.

224.7 (n) "Mental health practitioner" means a staff person who is qualified according to section
224.8 245I.04, subdivision 4.

224.9 (o) "Mental health professional" means a staff person who is qualified according to
224.10 section 245I.04, subdivision 2.

224.11 (p) "Mental health service plan development" includes:

224.12 (1) the development, review, and revision of a child's individual treatment plan, including
224.13 involvement of the client or client's parents, primary caregiver, or other person authorized
224.14 to consent to mental health services for the client, and including arrangement of treatment
224.15 and support activities specified in the individual treatment plan; and

224.16 (2) administering and reporting the standardized outcome measurements in section
224.17 245I.10, subdivision 6, paragraph (d), clauses (3) and (4), and other standardized outcome
224.18 measurements approved by the commissioner, as periodically needed to evaluate the
224.19 effectiveness of treatment.

224.20 (q) "Mental illness," for persons at least age 18 but under age 21, has the meaning given
224.21 in section 245.462, subdivision 20, paragraph (a).

224.22 (r) "Psychotherapy" means the treatment described in section 256B.0671, subdivision
224.23 11.

224.24 (s) "Rehabilitative services" or "psychiatric rehabilitation services" means interventions
224.25 to: (1) restore a child or adolescent to an age-appropriate developmental trajectory that had
224.26 been disrupted by a psychiatric illness; or (2) enable the child to self-monitor, compensate
224.27 for, cope with, counteract, or replace psychosocial skills deficits or maladaptive skills
224.28 acquired over the course of a psychiatric illness. Psychiatric rehabilitation services for
224.29 children combine coordinated psychotherapy to address internal psychological, emotional,
224.30 and intellectual processing deficits, and skills training to restore personal and social
224.31 functioning. Psychiatric rehabilitation services establish a progressive series of goals with
224.32 each achievement building upon a prior achievement.

225.1 (t) "Skills training" means individual, family, or group training, delivered by or under
225.2 the supervision of a mental health professional, designed to facilitate the acquisition of
225.3 psychosocial skills that are medically necessary to rehabilitate the child to an age-appropriate
225.4 developmental trajectory heretofore disrupted by a psychiatric illness or to enable the child
225.5 to self-monitor, compensate for, cope with, counteract, or replace skills deficits or
225.6 maladaptive skills acquired over the course of a psychiatric illness. Skills training is subject
225.7 to the service delivery requirements under subdivision 9, paragraph (b), clause (2).

225.8 (u) "Treatment supervision" means the supervision described in section 245I.06.

225.9 Sec. 23. Minnesota Statutes 2020, section 256B.0949, subdivision 13, is amended to read:

225.10 Subd. 13. **Covered services.** (a) The services described in paragraphs (b) to (l) are
225.11 eligible for reimbursement by medical assistance under this section. Services must be
225.12 provided by a qualified EIDBI provider and supervised by a QSP. An EIDBI service must
225.13 address the person's medically necessary treatment goals and must be targeted to develop,
225.14 enhance, or maintain the individual developmental skills of a person with ASD or a related
225.15 condition to improve functional communication, including nonverbal or social
225.16 communication, social or interpersonal interaction, restrictive or repetitive behaviors,
225.17 hyperreactivity or hyporeactivity to sensory input, behavioral challenges and self-regulation,
225.18 cognition, learning and play, self-care, and safety.

225.19 (b) EIDBI treatment must be delivered consistent with the standards of an approved
225.20 modality, as published by the commissioner. EIDBI modalities include:

225.21 (1) applied behavior analysis (ABA);

225.22 (2) developmental individual-difference relationship-based model (DIR/Floortime);

225.23 (3) early start Denver model (ESDM);

225.24 (4) PLAY project;

225.25 (5) relationship development intervention (RDI); or

225.26 (6) additional modalities not listed in clauses (1) to (5) upon approval by the
225.27 commissioner.

225.28 (c) An EIDBI provider may use one or more of the EIDBI modalities in paragraph (b),
225.29 clauses (1) to (5), as the primary modality for treatment as a covered service, or several
225.30 EIDBI modalities in combination as the primary modality of treatment, as approved by the
225.31 commissioner. An EIDBI provider that identifies and provides assurance of qualifications

226.1 for a single specific treatment modality must document the required qualifications to meet
226.2 fidelity to the specific model.

226.3 (d) Each qualified EIDBI provider must identify and provide assurance of qualifications
226.4 for professional licensure certification, or training in evidence-based treatment methods,
226.5 and must document the required qualifications outlined in subdivision 15 in a manner
226.6 determined by the commissioner.

226.7 (e) CMDE is a comprehensive evaluation of the person's developmental status to
226.8 determine medical necessity for EIDBI services and meets the requirements of subdivision
226.9 5. The services must be provided by a qualified CMDE provider.

226.10 (f) EIDBI intervention observation and direction is the clinical direction and oversight
226.11 of EIDBI services by the QSP, level I treatment provider, or level II treatment provider,
226.12 including developmental and behavioral techniques, progress measurement, data collection,
226.13 function of behaviors, and generalization of acquired skills for the direct benefit of a person.
226.14 EIDBI intervention observation and direction informs any modification of the current
226.15 treatment protocol to support the outcomes outlined in the ITP.

226.16 (g) Intervention is medically necessary direct treatment provided to a person with ASD
226.17 or a related condition as outlined in their ITP. All intervention services must be provided
226.18 under the direction of a QSP. Intervention may take place across multiple settings. The
226.19 frequency and intensity of intervention services are provided based on the number of
226.20 treatment goals, person and family or caregiver preferences, and other factors. Intervention
226.21 services may be provided individually or in a group. Intervention with a higher provider
226.22 ratio may occur when deemed medically necessary through the person's ITP.

226.23 (1) Individual intervention is treatment by protocol administered by a single qualified
226.24 EIDBI provider delivered ~~face-to-face~~ to one person.

226.25 (2) Group intervention is treatment by protocol provided by one or more qualified EIDBI
226.26 providers, delivered to at least two people who receive EIDBI services.

226.27 (h) ITP development and ITP progress monitoring is development of the initial, annual,
226.28 and progress monitoring of an ITP. ITP development and ITP progress monitoring documents
226.29 provide oversight and ongoing evaluation of a person's treatment and progress on targeted
226.30 goals and objectives and integrate and coordinate the person's and the person's legal
226.31 representative's information from the CMDE and ITP progress monitoring. This service
226.32 must be reviewed and completed by the QSP, and may include input from a level I provider
226.33 or a level II provider.

227.1 (i) Family caregiver training and counseling is specialized training and education for a
227.2 family or primary caregiver to understand the person's developmental status and help with
227.3 the person's needs and development. This service must be provided by the QSP, level I
227.4 provider, or level II provider.

227.5 (j) A coordinated care conference is a voluntary ~~face-to-face~~ meeting with the person
227.6 and the person's family to review the CMDE or ITP progress monitoring and to integrate
227.7 and coordinate services across providers and service-delivery systems to develop the ITP.
227.8 This service must be provided by the QSP and may include the CMDE provider or a level
227.9 I provider or a level II provider.

227.10 (k) Travel time is allowable billing for traveling to and from the person's home, school,
227.11 a community setting, or place of service outside of an EIDBI center, clinic, or office from
227.12 a specified location to provide ~~face-to-face~~ in-person EIDBI intervention, observation and
227.13 direction, or family caregiver training and counseling. The person's ITP must specify the
227.14 reasons the provider must travel to the person.

227.15 (l) Medical assistance covers medically necessary EIDBI services and consultations
227.16 delivered by a licensed health care provider via ~~telemedicine~~ telehealth, as defined under
227.17 section 256B.0625, subdivision 3b, in the same manner as if the service or consultation was
227.18 delivered in person.

227.19 Sec. 24. Minnesota Statutes 2020, section 256B.49, subdivision 14, is amended to read:

227.20 Subd. 14. **Assessment and reassessment.** (a) Assessments and reassessments shall be
227.21 conducted by certified assessors according to section 256B.0911, subdivision 2b.

227.22 (b) There must be a determination that the client requires a hospital level of care or a
227.23 nursing facility level of care as defined in section 256B.0911, subdivision 4e, at initial and
227.24 subsequent assessments to initiate and maintain participation in the waiver program.

227.25 (c) Regardless of other assessments identified in section 144.0724, subdivision 4, as
227.26 appropriate to determine nursing facility level of care for purposes of medical assistance
227.27 payment for nursing facility services, only ~~face-to-face~~ assessments conducted according
227.28 to section 256B.0911, subdivisions 3a, 3b, and 4d, that result in a hospital level of care
227.29 determination or a nursing facility level of care determination must be accepted for purposes
227.30 of initial and ongoing access to waiver services payment.

227.31 (d) Recipients who are found eligible for home and community-based services under
227.32 this section before their 65th birthday may remain eligible for these services after their 65th
227.33 birthday if they continue to meet all other eligibility factors.

228.1 Sec. 25. Minnesota Statutes 2020, section 256S.05, subdivision 2, is amended to read:

228.2 Subd. 2. **Nursing facility level of care determination required.** Notwithstanding other
228.3 assessments identified in section 144.0724, subdivision 4, only ~~face-to-face~~ assessments
228.4 conducted according to section 256B.0911, subdivisions 3, 3a, and 3b, that result in a nursing
228.5 facility level of care determination at initial and subsequent assessments shall be accepted
228.6 for purposes of a participant's initial and ongoing participation in the elderly waiver and a
228.7 service provider's access to service payments under this chapter.

228.8 Sec. 26. **COMMISSIONER OF HUMAN SERVICES; EXTENSION OF COVID-19**
228.9 **HUMAN SERVICES PROGRAM MODIFICATIONS.**

228.10 Notwithstanding Laws 2020, First Special Session chapter 7, section 1, subdivision 2,
228.11 as amended by Laws 2020, Third Special Session chapter 1, section 3, when the peacetime
228.12 emergency declared by the governor in response to the COVID-19 outbreak expires, is
228.13 terminated, or is rescinded by the proper authority, the following modifications issued by
228.14 the commissioner of human services pursuant to Executive Orders 20-11 and 20-12, and
228.15 including any amendments to the modification issued before the peacetime emergency
228.16 expires, shall remain in effect until July 1, 2023:

228.17 (1) CV16: expanding access to telemedicine services for Children's Health Insurance
228.18 Program, Medical Assistance, and MinnesotaCare enrollees; and

228.19 (2) CV21: allowing telemedicine alternative for school-linked mental health services
228.20 and intermediate school district mental health services.

228.21 Sec. 27. **STUDIES OF TELEHEALTH EXPANSION AND PAYMENT PARITY.**

228.22 (a) The commissioner of health, in consultation with the commissioners of human services
228.23 and commerce, shall study the impact of telehealth expansion and payment parity under
228.24 this article on the coverage and provision of health care services under private sector health
228.25 insurance.

228.26 (b) The commissioner of human services, in consultation with the commissioners of
228.27 health and commerce, shall study the impact of telehealth expansion and payment parity
228.28 under this article on the coverage and provision of health care services under public health
228.29 care programs.

228.30 (c) The studies required under paragraphs (a) and (b) must review and make
228.31 recommendations relating to:

- 229.1 (1) the impact of telehealth expansion and payment parity on access to health care
229.2 services, quality of care, health outcomes, patient satisfaction, and value-based payments
229.3 and innovation in health care delivery;
- 229.4 (2) the impact of telehealth expansion and payment parity on reducing health care
229.5 disparities and providing equitable access to health care services for underserved
229.6 communities;
- 229.7 (3) whether audio-only communication as a permitted option for delivering services (i)
229.8 supports equitable access to health care services, including behavioral health services, for
229.9 the elderly, rural communities, and communities of color, and (ii) eliminates barriers to care
229.10 for vulnerable and underserved populations without reducing the quality of care, worsening
229.11 health outcomes, or decreasing satisfaction with care;
- 229.12 (4) the services and populations, if any, for which increased access to telehealth improves
229.13 or negatively impacts health outcomes;
- 229.14 (5) the extent to which services provided through telehealth:
- 229.15 (i) substitute for an in-person visit;
- 229.16 (ii) are services that were previously not billed or reimbursed; or
- 229.17 (iii) are in addition to or are duplicative of services that the patient has received or will
229.18 receive as part of an in-person visit;
- 229.19 (6) the effect of telehealth expansion and payment parity on public and private sector
229.20 health care costs, including health insurance premiums; and
- 229.21 (7) the impact of telehealth expansion and payment parity, especially in rural areas, on
229.22 patient access to, and the availability of, in-person care, including specialty care.
- 229.23 (d) In addition, the studies must report:
- 229.24 (1) the criteria payers used during the study period to determine which patients were
229.25 medically appropriate to be served through telehealth, and which categories of service were
229.26 medically appropriate to be delivered through telehealth, including but not limited to the
229.27 use of audio-only communication; and
- 229.28 (2) the methods payers used to ensure that patients were allowed to choose to receive a
229.29 service through telehealth or in person during the study period.
- 229.30 (e) When conducting the studies, the commissioners shall consult with public program
229.31 enrollees and other patients, providers, communities impacted by telehealth expansion and
229.32 payment parity, and other stakeholders. Notwithstanding Minnesota Statutes, section 62U.04,

230.1 subdivision 11, the commissioners may use data available under that section to conduct the
230.2 studies and may consult with experts in payment policy and health care delivery. Health
230.3 plan companies shall submit information requested by the commissioners for purposes of
230.4 the studies in the form and manner specified by the commissioners.

230.5 (f) The commissioners shall present a preliminary report to the chairs and ranking
230.6 minority members of the legislative committees with jurisdiction over health and human
230.7 services policy and finance and commerce by January 15, 2023. The preliminary report
230.8 must include qualitative and any available quantitative findings, and recommendations on
230.9 whether audio-only communication should be allowed as a telehealth option beyond June
230.10 30, 2023. The commissioners shall present a final report to the chairs and ranking minority
230.11 members of these specified legislative committees by January 15, 2024.

230.12 Sec. 28. **REVISOR INSTRUCTION.**

230.13 In Minnesota Statutes and Minnesota Rules, the revisor of statutes shall substitute the
230.14 term "telemedicine" with "telehealth" whenever the term appears and substitute Minnesota
230.15 Statutes, section 62A.673, whenever references to Minnesota Statutes, sections 62A.67,
230.16 62A.671, and 62A.672 appear.

230.17 Sec. 29. **REPEALER.**

230.18 (a) Minnesota Statutes 2020, sections 62A.67; 62A.671; and 62A.672, are repealed
230.19 effective July 1, 2021.

230.20 (b) Minnesota Statutes 2020, sections 256B.0596; and 256B.0924, subdivision 4a, are
230.21 repealed effective July 1, 2021, or upon federal approval, whichever is later. The
230.22 commissioner of human services shall notify the revisor of statutes when federal approval
230.23 is obtained.

230.24 (c) Laws 2021, chapter 30, article 17, section 71, is repealed effective the day following
230.25 final enactment.

230.26

ARTICLE 7

230.27

ECONOMIC SUPPORTS

230.28 Section 1. Minnesota Statutes 2020, section 119B.09, subdivision 4, is amended to read:

230.29 Subd. 4. **Eligibility; annual income; calculation.** (a) Annual income of the applicant
230.30 family is the current monthly income of the family multiplied by 12 or the income for the

231.1 12-month period immediately preceding the date of application, or income calculated by
231.2 the method which provides the most accurate assessment of income available to the family.

231.3 (b) Self-employment income must be calculated based on ~~gross receipts less operating~~
231.4 ~~expenses~~ section 256P.05, subdivision 2.

231.5 (c) Income changes are processed under section 119B.025, subdivision 4. Included lump
231.6 sums counted as income under section 256P.06, subdivision 3, must be annualized over 12
231.7 months. Income must be verified with documentary evidence. If the applicant does not have
231.8 sufficient evidence of income, verification must be obtained from the source of the income.

231.9 **EFFECTIVE DATE.** This section is effective May 1, 2022.

231.10 Sec. 2. Minnesota Statutes 2020, section 256D.051, is amended by adding a subdivision
231.11 to read:

231.12 **Subd. 20. SNAP employment and training.** The commissioner shall implement a
231.13 Supplemental Nutrition Assistance Program (SNAP) employment and training program
231.14 that meets the SNAP employment and training participation requirements of the United
231.15 States Department of Agriculture governed by Code of Federal Regulations, title 7, section
231.16 273.7. The commissioner shall operate a SNAP employment and training program in which
231.17 SNAP recipients elect to participate. In order to receive SNAP assistance beyond the time
231.18 limit, unless residing in an area covered by a time-limit waiver governed by Code of Federal
231.19 Regulations, title 7, section 273.24, nonexempt SNAP recipients who do not meet federal
231.20 SNAP work requirements must participate in an employment and training program. In
231.21 addition to county and Tribal agencies that administer SNAP, the commissioner may contract
231.22 with third-party providers for SNAP employment and training services.

231.23 **EFFECTIVE DATE.** This section is effective August 1, 2021.

231.24 Sec. 3. Minnesota Statutes 2020, section 256D.051, is amended by adding a subdivision
231.25 to read:

231.26 **Subd. 21. County and Tribal agency duties.** County or Tribal agencies that administer
231.27 SNAP shall inform adult SNAP recipients about employment and training services and
231.28 providers in the recipient's area. County or Tribal agencies that administer SNAP may elect
231.29 to subcontract with a public or private entity approved by the commissioner to provide
231.30 SNAP employment and training services.

231.31 **EFFECTIVE DATE.** This section is effective August 1, 2021.

232.1 Sec. 4. Minnesota Statutes 2020, section 256D.051, is amended by adding a subdivision
232.2 to read:

232.3 Subd. 22. **Duties of commissioner.** In addition to any other duties imposed by law, the
232.4 commissioner shall:

232.5 (1) supervise the administration of SNAP employment and training services to county,
232.6 Tribal, and contracted agencies under this section and Code of Federal Regulations, title 7,
232.7 section 273.7;

232.8 (2) disburse money allocated and reimbursed for SNAP employment and training services
232.9 to county, Tribal, and contracted agencies;

232.10 (3) accept and supervise the disbursement of any funds that may be provided by the
232.11 federal government or other sources for SNAP employment and training services;

232.12 (4) cooperate with other agencies, including any federal agency or agency of another
232.13 state, in all matters concerning the powers and duties of the commissioner under this section;

232.14 (5) coordinate with the commissioner of employment and economic development to
232.15 deliver employment and training services statewide;

232.16 (6) work in partnership with counties, tribes, and other agencies to enhance the reach
232.17 and services of a statewide SNAP employment and training program; and

232.18 (7) identify eligible nonfederal funds to earn federal reimbursement for SNAP
232.19 employment and training services.

232.20 **EFFECTIVE DATE.** This section is effective August 1, 2021.

232.21 Sec. 5. Minnesota Statutes 2020, section 256D.051, is amended by adding a subdivision
232.22 to read:

232.23 Subd. 23. **Participant duties.** Unless residing in an area covered by a time-limit waiver,
232.24 nonexempt SNAP recipients must meet federal SNAP work requirements to receive SNAP
232.25 assistance beyond the time limit.

232.26 **EFFECTIVE DATE.** This section is effective August 1, 2021.

233.1 Sec. 6. Minnesota Statutes 2020, section 256D.051, is amended by adding a subdivision
233.2 to read:

233.3 Subd. 24. **Program funding.** (a) The United States Department of Agriculture annually
233.4 allocates SNAP employment and training funds to the commissioner of human services for
233.5 the operation of the SNAP employment and training program.

233.6 (b) The United States Department of Agriculture authorizes the disbursement of SNAP
233.7 employment and training reimbursement funds to the commissioner of human services for
233.8 the operation of the SNAP employment and training program.

233.9 (c) Except for funds allocated for state program development and administrative purposes
233.10 or designated by the United States Department of Agriculture for a specific project, the
233.11 commissioner of human services shall disburse money allocated for federal SNAP
233.12 employment and training to counties and tribes that administer SNAP based on a formula
233.13 determined by the commissioner that includes but is not limited to the county's or tribe's
233.14 proportion of adult SNAP recipients as compared to the statewide total.

233.15 (d) The commissioner of human services shall disburse federal funds that the
233.16 commissioner receives as reimbursement for SNAP employment and training costs to the
233.17 state agency, county, tribe, or contracted agency that incurred the costs being reimbursed.

233.18 (e) The commissioner of human services may reallocate unexpended money disbursed
233.19 under this section to county, Tribal, or contracted agencies that demonstrate a need for
233.20 additional funds.

233.21 **EFFECTIVE DATE.** This section is effective August 1, 2021.

233.22 Sec. 7. Minnesota Statutes 2020, section 256E.30, subdivision 2, is amended to read:

233.23 **Subd. 2. Allocation of money.** (a) State money appropriated and community service
233.24 block grant money allotted to the state and all money transferred to the community service
233.25 block grant from other block grants shall be allocated annually to community action agencies
233.26 and Indian reservation governments under paragraphs (b) and (c), and to migrant and seasonal
233.27 farmworker organizations under paragraph (d).

233.28 (b) The available annual money will provide base funding to all community action
233.29 agencies and the Indian reservations. Base funding amounts per agency are as follows: for
233.30 agencies with low income populations up to ~~1,999, \$25,000; 2,000 to~~ 23,999, \$50,000; and
233.31 24,000 or more, \$100,000.

234.1 (c) All remaining money of the annual money available after the base funding has been
234.2 determined must be allocated to each agency and reservation in proportion to the size of
234.3 the poverty level population in the agency's service area compared to the size of the poverty
234.4 level population in the state.

234.5 (d) Allocation of money to migrant and seasonal farmworker organizations must not
234.6 exceed three percent of the total annual money available. Base funding allocations must be
234.7 made for all community action agencies and Indian reservations that received money under
234.8 this subdivision, in fiscal year 1984, and for community action agencies designated under
234.9 this section with a service area population of 35,000 or greater.

234.10 **EFFECTIVE DATE.** This section is effective July 1, 2021.

234.11 Sec. 8. Minnesota Statutes 2020, section 256J.08, subdivision 15, is amended to read:

234.12 Subd. 15. **Countable income.** "Countable income" means earned and unearned income
234.13 that is ~~not excluded under section 256J.21, subdivision 2~~ described in section 256P.06,
234.14 subdivision 3, or disregarded under section 256J.21, subdivision 3, or section 256P.03.

234.15 **EFFECTIVE DATE.** This section is effective August 1, 2021.

234.16 Sec. 9. Minnesota Statutes 2020, section 256J.08, subdivision 53, is amended to read:

234.17 Subd. 53. **Lump sum.** "Lump sum" means nonrecurring income ~~that is not excluded in~~
234.18 ~~section 256J.21~~ as described in section 256P.06, subdivision 3, clause (2), item (ix).

234.19 **EFFECTIVE DATE.** This section is effective August 1, 2021.

234.20 Sec. 10. Minnesota Statutes 2020, section 256J.10, is amended to read:

234.21 **256J.10 MFIP ELIGIBILITY REQUIREMENTS.**

234.22 To be eligible for MFIP, applicants must meet the general eligibility requirements in
234.23 sections 256J.11 to 256J.15, the property limitations in section 256P.02, and the income
234.24 limitations in ~~section~~ sections 256J.21 and 256P.06.

234.25 **EFFECTIVE DATE.** This section is effective August 1, 2021.

234.26 Sec. 11. Minnesota Statutes 2020, section 256J.21, subdivision 3, is amended to read:

234.27 Subd. 3. **Initial income test.** The agency shall determine initial eligibility by considering
234.28 all earned and unearned income ~~that is not excluded under subdivision 2~~ as defined in section
234.29 256P.06. To be eligible for MFIP, the assistance unit's countable income minus the earned

235.1 income disregards in paragraph (a) and section 256P.03 must be below the family wage
235.2 level according to section 256J.24, subdivision 7, for that size assistance unit.

235.3 (a) The initial eligibility determination must disregard the following items:

235.4 (1) the earned income disregard as determined in section 256P.03;

235.5 (2) dependent care costs must be deducted from gross earned income for the actual
235.6 amount paid for dependent care up to a maximum of \$200 per month for each child less
235.7 than two years of age, and \$175 per month for each child two years of age and older;

235.8 (3) all payments made according to a court order for spousal support or the support of
235.9 children not living in the assistance unit's household shall be disregarded from the income
235.10 of the person with the legal obligation to pay support; and

235.11 (4) an allocation for the unmet need of an ineligible spouse or an ineligible child under
235.12 the age of 21 for whom the caregiver is financially responsible and who lives with the
235.13 caregiver according to section 256J.36.

235.14 (b) After initial eligibility is established, the assistance payment calculation is based on
235.15 the monthly income test.

235.16 **EFFECTIVE DATE.** This section is effective August 1, 2021.

235.17 Sec. 12. Minnesota Statutes 2020, section 256J.21, subdivision 5, is amended to read:

235.18 Subd. 5. **Distribution of income.** (a) The income of all members of the assistance unit
235.19 must be counted. Income may also be deemed from ineligible persons to the assistance unit.
235.20 Income must be attributed to the person who earns it or to the assistance unit according to
235.21 paragraphs ~~(a) to~~ (b) and (c).

235.22 ~~(a) Funds distributed from a trust, whether from the principal holdings or sale of trust~~
235.23 ~~property or from the interest and other earnings of the trust holdings, must be considered~~
235.24 ~~income when the income is legally available to an applicant or participant. Trusts are~~
235.25 ~~presumed legally available unless an applicant or participant can document that the trust is~~
235.26 ~~not legally available.~~

235.27 (b) Income from jointly owned property must be divided equally among property owners
235.28 unless the terms of ownership provide for a different distribution.

235.29 (c) Deductions are not allowed from the gross income of a financially responsible
235.30 household member or by the members of an assistance unit to meet a current or prior debt.

235.31 **EFFECTIVE DATE.** This section is effective August 1, 2021.

236.1 Sec. 13. Minnesota Statutes 2020, section 256J.24, subdivision 5, is amended to read:

236.2 Subd. 5. **MFIP transitional standard.** (a) The MFIP transitional standard is based on
236.3 the number of persons in the assistance unit eligible for both food and cash assistance. The
236.4 amount of the transitional standard is published annually by the Department of Human
236.5 Services.

236.6 (b) The amount of the MFIP cash assistance portion of the transitional standard is
236.7 increased \$100 per month per household. This increase shall be reflected in the MFIP cash
236.8 assistance portion of the transitional standard published annually by the commissioner.

236.9 (c) On October 1 of each year, the commissioner of human services shall adjust the cash
236.10 assistance portion under paragraph (a) for inflation based on the CPI-U for the prior calendar
236.11 year.

236.12 **EFFECTIVE DATE.** This section is effective for the fiscal year beginning on July 1,
236.13 2021.

236.14 Sec. 14. Minnesota Statutes 2020, section 256J.33, subdivision 1, is amended to read:

236.15 Subdivision 1. **Determination of eligibility.** (a) A county agency must determine MFIP
236.16 eligibility prospectively for a payment month based on retrospectively assessing income
236.17 and the county agency's best estimate of the circumstances that will exist in the payment
236.18 month.

236.19 (b) Except as described in section 256J.34, subdivision 1, when prospective eligibility
236.20 exists, A county agency must calculate the amount of the assistance payment using
236.21 retrospective budgeting. To determine MFIP eligibility and the assistance payment amount,
236.22 a county agency must apply countable income, described in ~~section~~ sections 256P.06 and
236.23 256J.37, subdivisions 3 to 10, received by members of an assistance unit or by other persons
236.24 whose income is counted for the assistance unit, described under sections 256J.21 and
236.25 256J.37, subdivisions 1 to 2, and 256P.06, subdivision 1.

236.26 (c) This income must be applied to the MFIP standard of need or family wage level
236.27 subject to this section and sections 256J.34 to 256J.36. Countable income as described in
236.28 section 256P.06, subdivision 3, received in a calendar month and not otherwise excluded
236.29 under section 256J.21, subdivision 2, must be applied to the needs of an assistance unit.

236.30 **EFFECTIVE DATE.** This section is effective August 1, 2021.

237.1 Sec. 15. Minnesota Statutes 2020, section 256J.33, subdivision 4, is amended to read:

237.2 Subd. 4. **Monthly income test.** A county agency must apply the monthly income test
237.3 retrospectively for each month of MFIP eligibility. An assistance unit is not eligible when
237.4 the countable income equals or exceeds the MFIP standard of need or the family wage level
237.5 for the assistance unit. The income applied against the monthly income test must include:

237.6 (1) gross earned income from employment as described in chapter 256P, prior to
237.7 mandatory payroll deductions, voluntary payroll deductions, wage authorizations, and after
237.8 the disregards in section 256J.21, subdivision 4, and the allocations in section 256J.36;
237.9 ~~unless the employment income is specifically excluded under section 256J.21, subdivision~~
237.10 ~~2;~~

237.11 (2) gross earned income from self-employment less deductions for self-employment
237.12 expenses in section 256J.37, subdivision 5, but prior to any reductions for personal or
237.13 business state and federal income taxes, personal FICA, personal health and life insurance,
237.14 and after the disregards in section 256J.21, subdivision 4, and the allocations in section
237.15 256J.36;

237.16 (3) unearned income as described in section 256P.06, subdivision 3, after deductions
237.17 for allowable expenses in section 256J.37, subdivision 9, and allocations in section 256J.36;
237.18 ~~unless the income has been specifically excluded in section 256J.21, subdivision 2;~~

237.19 (4) gross earned income from employment as determined under clause (1) which is
237.20 received by a member of an assistance unit who is a minor child or minor caregiver and
237.21 less than a half-time student;

237.22 (5) child support received by an assistance unit, excluded under ~~section 256J.21,~~
237.23 ~~subdivision 2, clause (49), or~~ section 256P.06, subdivision 3, clause (2), item (xvi);

237.24 (6) spousal support received by an assistance unit;

237.25 (7) the income of a parent when that parent is not included in the assistance unit;

237.26 (8) the income of an eligible relative and spouse who seek to be included in the assistance
237.27 unit; and

237.28 (9) the unearned income of a minor child included in the assistance unit.

237.29 **EFFECTIVE DATE.** This section is effective August 1, 2021.

238.1 Sec. 16. Minnesota Statutes 2020, section 256J.37, subdivision 1, is amended to read:

238.2 Subdivision 1. **Deemed income from ineligible assistance unit members.** The income
238.3 of ineligible assistance unit members, except individuals identified in section 256J.24,
238.4 subdivision 3, paragraph (a), clause (1), must be deemed after allowing the following
238.5 disregards:

238.6 (1) an earned income disregard as determined under section 256P.03;

238.7 (2) all payments made by the ineligible person according to a court order for spousal
238.8 support or the support of children not living in the assistance unit's household; and

238.9 (3) an amount for the unmet needs of the ineligible persons who live in the household
238.10 who, if eligible, would be assistance unit members under section 256J.24, subdivision 2 or
238.11 4, paragraph (b). This amount is equal to the difference between the MFIP transitional
238.12 standard when the ineligible persons are included in the assistance unit and the MFIP
238.13 transitional standard when the ineligible persons are not included in the assistance unit.

238.14 **EFFECTIVE DATE.** This section is effective August 1, 2021.

238.15 Sec. 17. Minnesota Statutes 2020, section 256J.37, subdivision 1b, is amended to read:

238.16 Subd. 1b. **Deemed income from parents of minor caregivers.** In households where
238.17 minor caregivers live with a parent or parents or a stepparent who do not receive MFIP for
238.18 themselves or their minor children, the income of the parents or a stepparent must be deemed
238.19 after allowing the following disregards:

238.20 (1) income of the parents equal to 200 percent of the federal poverty guideline for a
238.21 family size not including the minor parent and the minor parent's child in the household
238.22 ~~according to section 256J.21, subdivision 2, clause (43);~~ and

238.23 (2) all payments made by parents according to a court order for spousal support or the
238.24 support of children not living in the parent's household.

238.25 **EFFECTIVE DATE.** This section is effective August 1, 2021.

238.26 Sec. 18. Minnesota Statutes 2020, section 256J.95, subdivision 9, is amended to read:

238.27 Subd. 9. **Property and income limitations.** The asset limits and exclusions in section
238.28 256P.02 apply to applicants and participants of DWP. All payments, ~~unless excluded in~~
238.29 ~~section 256J.21~~ as described in section 256P.06, subdivision 3, must be counted as income
238.30 to determine eligibility for the diversionary work program. The agency shall treat income
238.31 as outlined in section 256J.37, except for subdivision 3a. The initial income test and the

239.1 disregards in section 256J.21, subdivision 3, shall be followed for determining eligibility
239.2 for the diversionary work program.

239.3 **EFFECTIVE DATE.** This section is effective August 1, 2021.

239.4 Sec. 19. Minnesota Statutes 2020, section 256P.01, subdivision 3, is amended to read:

239.5 Subd. 3. **Earned income.** "Earned income" means ~~cash or in-kind~~ income earned through
239.6 the receipt of wages, salary, commissions, bonuses, tips, gratuities, profit from employment
239.7 activities, net profit from self-employment activities, payments made by an employer for
239.8 regularly accrued vacation or sick leave, severance pay based on accrued leave time,
239.9 ~~payments from training programs at a rate at or greater than the state's minimum wage,~~
239.10 royalties, honoraria, or other profit from activity that results from the client's work, ~~service,~~
239.11 effort, or labor for purposes other than student financial assistance, rehabilitation programs,
239.12 student training programs, or service programs such as AmeriCorps. The income must be
239.13 in return for, or as a result of, legal activity.

239.14 **EFFECTIVE DATE.** This section is effective August 1, 2021.

239.15 Sec. 20. Minnesota Statutes 2020, section 256P.02, subdivision 1a, is amended to read:

239.16 Subd. 1a. **Exemption.** Participants who qualify for child care assistance programs under
239.17 chapter 119B are exempt from this section, except that the personal property identified in
239.18 subdivision 2 is counted toward the asset limit of the child care assistance program under
239.19 chapter 119B.

239.20 **EFFECTIVE DATE.** This section is effective May 1, 2022.

239.21 Sec. 21. Minnesota Statutes 2020, section 256P.02, subdivision 2, is amended to read:

239.22 Subd. 2. **Personal property limitations.** The equity value of an assistance unit's personal
239.23 property listed in clauses (1) to ~~(4)~~ (5) must not exceed \$10,000 for applicants and
239.24 participants. For purposes of this subdivision, personal property is limited to:

239.25 (1) cash;

239.26 (2) bank accounts;

239.27 (3) liquid stocks and bonds that can be readily accessed without a financial penalty; ~~and~~

239.28 (4) vehicles not excluded under subdivision 3; and

239.29 (5) the full value of business accounts used to pay expenses not related to the business.

239.30 **EFFECTIVE DATE.** This section is effective May 1, 2022.

240.1 Sec. 22. Minnesota Statutes 2020, section 256P.04, subdivision 4, is amended to read:

240.2 Subd. 4. **Factors to be verified.** (a) The agency shall verify the following at application:

240.3 (1) identity of adults;

240.4 (2) age, if necessary to determine eligibility;

240.5 (3) immigration status;

240.6 (4) income;

240.7 (5) spousal support and child support payments made to persons outside the household;

240.8 (6) vehicles;

240.9 (7) checking and savings accounts, including but not limited to any business accounts

240.10 used to pay expenses not related to the business;

240.11 (8) inconsistent information, if related to eligibility;

240.12 (9) residence;

240.13 (10) Social Security number; and

240.14 (11) use of nonrecurring income under section 256P.06, subdivision 3, clause (2), item

240.15 (ix), for the intended purpose for which it was given and received.

240.16 (b) Applicants who are qualified noncitizens and victims of domestic violence as defined

240.17 under section 256J.08, subdivision 73, ~~clause (7)~~ clauses (8) and (9), are not required to

240.18 verify the information in paragraph (a), clause (10). When a Social Security number is not

240.19 provided to the agency for verification, this requirement is satisfied when each member of

240.20 the assistance unit cooperates with the procedures for verification of Social Security numbers,

240.21 issuance of duplicate cards, and issuance of new numbers which have been established

240.22 jointly between the Social Security Administration and the commissioner.

240.23 **EFFECTIVE DATE.** Paragraph (a) is effective May 1, 2022. Paragraph (b) is effective

240.24 July 1, 2021.

240.25 Sec. 23. Minnesota Statutes 2020, section 256P.04, subdivision 8, is amended to read:

240.26 Subd. 8. **Recertification.** The agency shall recertify eligibility ~~in an annual interview~~

240.27 ~~with the participant. The interview may be conducted by telephone, by Internet telepresence,~~

240.28 ~~or face-to-face in the county office or in another location mutually agreed upon. A participant~~

240.29 ~~must be given the option of a telephone interview or Internet telepresence to recertify~~

240.30 ~~eligibility annually.~~ During the interview recertification, the agency shall verify the following:

241.1 (1) income, unless excluded, including self-employment earnings;

241.2 (2) assets when the value is within \$200 of the asset limit; and

241.3 (3) inconsistent information, if related to eligibility.

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

241.5 Sec. 24. Minnesota Statutes 2020, section 256P.05, is amended to read:

241.6 **256P.05 SELF-EMPLOYMENT EARNINGS.**

241.7 Subdivision 1. **Exempted programs.** Participants who qualify for ~~child care assistance~~
 241.8 ~~programs under chapter 119B~~, Minnesota supplemental aid under chapter 256D; and housing
 241.9 support under chapter 256I on the basis of eligibility for Supplemental Security Income are
 241.10 exempt from this section. Participants who qualify for child care assistance programs under
 241.11 chapter 119B are exempt from subdivision 3.

241.12 Subd. 2. **Self-employment income determinations.** Applicants and participants must
 241.13 choose one of the methods described in this subdivision for determining self-employment
 241.14 earned income. An agency must determine self-employment income, which is either:

241.15 (1) one-half of gross earnings from self-employment; or

241.16 (2) taxable income as determined from an Internal Revenue Service tax form that has
 241.17 been filed with the Internal Revenue Service ~~within the last~~ for the most recent year and
 241.18 according to guidance provided for the Supplemental Nutrition Assistance Program. A
 241.19 12-month average using ~~net~~ taxable income shall be used to budget monthly income.

241.20 Subd. 3. **Self-employment budgeting.** (a) The self-employment budget period begins
 241.21 in the month of application or in the first month of self-employment. ~~Applicants and~~
 241.22 ~~participants must choose one of the methods described in subdivision 2 for determining~~
 241.23 ~~self-employment earned income.~~

241.24 (b) Applicants and participants who elect to use taxable income as described in
 241.25 subdivision 2, clause (2), to determine self-employment income must continue to use this
 241.26 method until recertification, unless there is an unforeseen significant change in gross income
 241.27 equaling a decline in gross income of the amount equal to or greater than the earned income
 241.28 disregard as defined in section 256P.03 from the income used to determine the benefit for
 241.29 the current month.

241.30 (c) For applicants and participants who elect to use one-half of gross earnings as described
 241.31 in subdivision 2, clause (1), to determine self-employment income, earnings must be counted
 241.32 as income in the month received.

242.1 **EFFECTIVE DATE.** This section is effective May 1, 2022.

242.2 Sec. 25. Minnesota Statutes 2020, section 256P.06, subdivision 2, is amended to read:

242.3 Subd. 2. ~~Exempted individuals~~ **Exemptions.** (a) The following members of an assistance
242.4 unit under chapters 119B and 256J are exempt from having their earned income count
242.5 ~~towards~~ toward the income of an assistance unit:

242.6 (1) children under six years old;

242.7 (2) caregivers under 20 years of age enrolled at least half-time in school; and

242.8 (3) minors enrolled in school full time.

242.9 (b) The following members of an assistance unit are exempt from having their earned
242.10 and unearned income count ~~towards~~ toward the income of an assistance unit for 12
242.11 consecutive calendar months, beginning the month following the marriage date, for benefits
242.12 under chapter 256J if the household income does not exceed 275 percent of the federal
242.13 poverty guideline:

242.14 (1) a new spouse to a caretaker in an existing assistance unit; and

242.15 (2) the spouse designated by a newly married couple, both of whom were already
242.16 members of an assistance unit under chapter 256J.

242.17 (c) If members identified in paragraph (b) also receive assistance under section 119B.05,
242.18 they are exempt from having their earned and unearned income count ~~towards~~ toward the
242.19 income of the assistance unit if the household income prior to the exemption does not exceed
242.20 67 percent of the state median income for recipients for 26 consecutive biweekly periods
242.21 beginning the second biweekly period after the marriage date.

242.22 (d) For individuals who are members of an assistance unit under chapters 256I and 256J,
242.23 the assistance standard effective in January 2020 for a household of one under chapter 256J
242.24 shall be counted as income under chapter 256I, and any subsequent increases to unearned
242.25 income under chapter 256J shall be exempt.

242.26 Sec. 26. Minnesota Statutes 2020, section 256P.06, subdivision 3, is amended to read:

242.27 Subd. 3. **Income inclusions.** The following must be included in determining the income
242.28 of an assistance unit:

242.29 (1) earned income; and

242.30 (2) unearned income, which includes:

- 243.1 (i) interest and dividends from investments and savings;
- 243.2 (ii) capital gains as defined by the Internal Revenue Service from any sale of real property;
- 243.3 (iii) proceeds from rent and contract for deed payments in excess of the principal and
243.4 interest portion owed on property;
- 243.5 (iv) income from trusts, excluding special needs and supplemental needs trusts;
- 243.6 (v) interest income from loans made by the participant or household;
- 243.7 (vi) cash prizes and winnings;
- 243.8 (vii) unemployment insurance income that is received by an adult member of the
243.9 assistance unit unless the individual receiving unemployment insurance income is:
- 243.10 (A) 18 years of age and enrolled in a secondary school; or
- 243.11 (B) 18 or 19 years of age, a caregiver, and is enrolled in school at least half-time;
- 243.12 (viii) retirement, survivors, and disability insurance payments;
- 243.13 (ix) nonrecurring income over \$60 per quarter unless ~~earmarked and used for the purpose~~
243.14 ~~for which it is intended. Income and use of this income is subject to verification requirements~~
243.15 ~~under section 256P.04~~ the nonrecurring income is: (A) from tax refunds, tax rebates, or tax
243.16 credits; (B) a reimbursement, rebate, award, grant, or refund of personal or real property or
243.17 costs or losses incurred when these payments are made by: a public agency; a court;
243.18 solicitations through public appeal; a federal, state, or local unit of government; or a disaster
243.19 assistance organization; (C) provided as an in-kind benefit; or (D) earmarked and used for
243.20 the purpose for which it was intended, subject to verification requirements under section
243.21 256P.04;
- 243.22 (x) retirement benefits;
- 243.23 (xi) cash assistance benefits, as defined by each program in chapters 119B, 256D, 256I,
243.24 and 256J;
- 243.25 (xii) tribal per capita payments unless excluded by federal and state law;
- 243.26 (xiii) income and payments from service and rehabilitation programs that meet or exceed
243.27 the state's minimum wage rate;
- 243.28 (xiv) income from members of the United States armed forces unless excluded from
243.29 income taxes according to federal or state law;
- 243.30 (xv) all child support payments for programs under chapters 119B, 256D, and 256I;

244.1 (xvi) the amount of child support received that exceeds \$100 for assistance units with
244.2 one child and \$200 for assistance units with two or more children for programs under chapter
244.3 256J; ~~and~~

244.4 (xvii) spousal support; and

244.5 (xviii) workers' compensation.

244.6 **EFFECTIVE DATE.** This section is effective August 1, 2021, except the amendment
244.7 to clause (2), item (vii), is effective the day following final enactment.

244.8 Sec. 27. Laws 2020, First Special Session chapter 7, section 1, as amended by Laws 2020,
244.9 Third Special Session chapter 1, section 3, is amended by adding a subdivision to read:

244.10 **Subd. 5. Waivers and modifications; extension to December 31, 2021.** When the
244.11 peacetime emergency declared by the governor in response to the COVID-19 outbreak
244.12 expires, is terminated, or is rescinded by the proper authority, the following waivers and
244.13 modifications to human services programs issued by the commissioner of human services,
244.14 including any amendments to the waivers or modifications issued before the peacetime
244.15 emergency expires, shall remain in effect through December 31, 2021, unless necessary
244.16 federal approval is not received at any time for a waiver or modification:

244.17 (1) Executive Orders 20-42, 21-03, and 21-15: ensuring that emergency economic relief
244.18 does not prevent eligibility for essential human services programs; and

244.19 (2) CV.04.A.4: cash assistance, modifying the interview requirement for recertifications
244.20 of eligibility, issued by the commissioner of human services pursuant to Executive Order
244.21 20-12.

244.22 **EFFECTIVE DATE.** This section is effective the day following final enactment or
244.23 retroactively from the date that the peacetime emergency declared by the governor in
244.24 response to the COVID-19 outbreak ends, whichever is earlier.

244.25 Sec. 28. **DIRECTION TO COMMISSIONER; LONG-TERM HOMELESS**
244.26 **SUPPORTIVE SERVICES REPORT.**

244.27 (a) No later than January 15, 2023, the commissioner of human services shall produce
244.28 information which shows the projects funded under Minnesota Statutes, section 256K.26,
244.29 and make this information available on the Department of Human Services website.

245.1 (b) This information must be updated annually for two additional years and the
245.2 commissioner must make this information available on the Department of Human Services
245.3 website by January 15, 2024, and January 15, 2025, respectively.

245.4 **Sec. 29. 2022 REPORT TO LEGISLATURE ON RUNAWAY AND HOMELESS**
245.5 **YOUTH.**

245.6 Subdivision 1. **Report development.** The commissioner of human services is exempt
245.7 from preparing the report required under Minnesota Statutes, section 256K.45, subdivision
245.8 2, in 2023 and shall instead update the information in the 2007 legislative report on runaway
245.9 and homeless youth. In developing the updated report, the commissioner must use existing
245.10 data, studies, and analysis provided by state, county, and other entities including:

245.11 (1) Minnesota Housing Finance Agency analysis on housing availability;

245.12 (2) the Minnesota state plan to end homelessness;

245.13 (3) the continuum of care counts of youth experiencing homelessness and assessments
245.14 as provided by Department of Housing and Urban Development (HUD) required coordinated
245.15 entry systems;

245.16 (4) the biannual Department of Human Services report on the Homeless Youth Act;

245.17 (5) the Wilder Research homeless study;

245.18 (6) the Voices of Youth Count sponsored by Hennepin County; and

245.19 (7) privately funded analysis, including:

245.20 (i) nine evidence-based principles to support youth in overcoming homelessness;

245.21 (ii) the return on investment analysis conducted for YouthLink by Foldes Consulting;

245.22 and

245.23 (iii) the evaluation of Homeless Youth Act resources conducted by Rainbow Research.

245.24 **Subd. 2. Key elements; due date.** (a) The report must include three key elements where
245.25 significant learning has occurred in the state since the 2007 report, including:

245.26 (1) the unique causes of youth homelessness;

245.27 (2) targeted responses to youth homelessness, including the significance of positive
245.28 youth development as fundamental to each targeted response; and

245.29 (3) recommendations based on existing reports and analysis on how to end youth
245.30 homelessness.

246.1 (b) To the extent that data is available, the report must include:

246.2 (1) a general accounting of the federal and philanthropic funds leveraged to support
246.3 homeless youth activities;

246.4 (2) a general accounting of the increase in volunteer responses to support youth
246.5 experiencing homelessness; and

246.6 (3) a data-driven accounting of geographic areas or distinct populations that have gaps
246.7 in service or are not yet served by homeless youth responses.

246.8 (c) The commissioner of human services shall consult with and incorporate the expertise
246.9 of community-based providers of homeless youth services and other expert stakeholders to
246.10 complete the report. The commissioner shall submit the report to the chairs and ranking
246.11 minority members of the legislative committees with jurisdiction over youth homelessness
246.12 by December 15, 2022.

246.13 **Sec. 30. REPEALER.**

246.14 Minnesota Statutes 2020, sections 256D.051, subdivisions 1, 1a, 2, 2a, 3, 3a, 3b, 6b, 6c,
246.15 7, 8, 9, and 18; 256D.052, subdivision 3; 256J.21, subdivisions 1 and 2; and 259A.70, are
246.16 repealed.

246.17 **EFFECTIVE DATE.** This section is effective August 1, 2021, except that the repeal
246.18 of Minnesota Statutes, section 259A.70, is effective July 1, 2021.

246.19 **ARTICLE 8**

246.20 **CHILD CARE ASSISTANCE**

246.21 Section 1. Minnesota Statutes 2020, section 119B.03, is amended by adding a subdivision
246.22 to read:

246.23 **Subd. 4a. Temporary reprioritization.** (a) Notwithstanding subdivision 4, priority for
246.24 child care assistance under the basic sliding fee assistance program shall be determined
246.25 according to this subdivision beginning July 1, 2021, through May 31, 2024.

246.26 (b) First priority must be given to eligible non-MFIP families who do not have a high
246.27 school diploma or commissioner of education-selected high school equivalency certification
246.28 or who need remedial and basic skill courses in order to pursue employment or to pursue
246.29 education leading to employment and who need child care assistance to participate in the
246.30 education program. This includes student parents as defined under section 119B.011,
246.31 subdivision 19b. Within this priority, the following subpriorities must be used:

- 247.1 (1) child care needs of minor parents;
- 247.2 (2) child care needs of parents under 21 years of age; and
- 247.3 (3) child care needs of other parents within the priority group described in this paragraph.
- 247.4 (c) Second priority must be given to families in which at least one parent is a veteran,
247.5 as defined under section 197.447.
- 247.6 (d) Third priority must be given to eligible families who do not meet the specifications
247.7 of paragraph (b), (c), (e), or (f).
- 247.8 (e) Fourth priority must be given to families who are eligible for portable basic sliding
247.9 fee assistance through the portability pool under subdivision 9.
- 247.10 (f) Fifth priority must be given to eligible families receiving services under section
247.11 119B.011, subdivision 20a, if the parents have completed their MFIP or DWP transition
247.12 year, or if the parents are no longer receiving or eligible for DWP supports.
- 247.13 (g) Families under paragraph (f) must be added to the basic sliding fee waiting list on
247.14 the date they complete their transition year under section 119B.011, subdivision 20.

247.15 Sec. 2. Minnesota Statutes 2020, section 119B.03, subdivision 6, is amended to read:

247.16 Subd. 6. **Allocation formula.** The allocation component of basic sliding fee state and
247.17 federal funds shall be allocated on a calendar year basis. Funds shall be allocated first in
247.18 amounts equal to each county's guaranteed floor according to subdivision 8, with any
247.19 remaining available funds allocated according to the following formula:

247.20 (a) One-fourth of the funds shall be allocated in proportion to each county's total
247.21 expenditures for the basic sliding fee child care program reported during the most recent
247.22 fiscal year completed at the time of the notice of allocation.

247.23 (b) Up to one-fourth of the funds shall be allocated in proportion to the number of families
247.24 participating in the transition year child care program as reported during and averaged over
247.25 the most recent six months completed at the time of the notice of allocation. Funds in excess
247.26 of the amount necessary to serve all families in this category shall be allocated according
247.27 to paragraph ~~(f)~~ (e).

247.28 ~~(c) Up to one-fourth of the funds shall be allocated in proportion to the average of each~~
247.29 ~~county's most recent six months of reported first, second, and third priority waiting list as~~
247.30 ~~defined in subdivision 2 and the reinstatement list of those families whose assistance was~~
247.31 ~~terminated with the approval of the commissioner under Minnesota Rules, part 3400.0183,~~

248.1 ~~subpart 1. Funds in excess of the amount necessary to serve all families in this category~~
248.2 ~~shall be allocated according to paragraph (f).~~

248.3 ~~(d)~~ (c) Up to ~~one-fourth~~ one-half of the funds shall be allocated in proportion to the
248.4 average of each county's most recent ~~six~~ 12 months of reported waiting list as defined in
248.5 subdivision 2 and the reinstatement list of those families whose assistance was terminated
248.6 with the approval of the commissioner under Minnesota Rules, part 3400.0183, subpart 1.
248.7 Funds in excess of the amount necessary to serve all families in this category shall be
248.8 allocated according to paragraph ~~(f)~~ (e).

248.9 ~~(e)~~ (d) The amount necessary to serve all families in paragraphs (b), ~~(e)~~, and ~~(d)~~ (c) shall
248.10 be calculated based on the basic sliding fee average cost of care per family in the county
248.11 with the highest cost in the most recently completed calendar year.

248.12 ~~(f)~~ (e) Funds in excess of the amount necessary to serve all families in paragraphs (b);
248.13 ~~(e)~~; and ~~(d)~~ (c) shall be allocated in proportion to each county's total expenditures for the
248.14 basic sliding fee child care program reported during the most recent fiscal year completed
248.15 at the time of the notice of allocation.

248.16 **EFFECTIVE DATE.** This section is effective January 1, 2022. The 2022 calendar year
248.17 shall be a phase-in year for the allocation formula in this section using phase-in provisions
248.18 determined by the commissioner of human services.

248.19 Sec. 3. Minnesota Statutes 2020, section 119B.11, subdivision 2a, is amended to read:

248.20 Subd. 2a. **Recovery of overpayments.** (a) An amount of child care assistance paid to a
248.21 recipient or provider in excess of the payment due is recoverable by the county agency or
248.22 commissioner under paragraphs (b) and ~~(e)~~ (e), even when the overpayment was caused by
248.23 ~~agency error or~~ circumstances outside the responsibility and control of the family or provider.
248.24 Overpayments designated solely as agency error, and not the result of acts or omissions on
248.25 the part of a provider or recipient, must not be established or collected.

248.26 (b) An overpayment must be recouped or recovered from the family if the overpayment
248.27 benefited the family by causing the family to pay less for child care expenses than the family
248.28 otherwise would have been required to pay under child care assistance program requirements.
248.29 The recoupment or recovery shall proceed as follows:

248.30 (1) if the family remains eligible for child care assistance, the overpayment must be
248.31 recovered through recoupment as identified in Minnesota Rules, part 3400.0187, except
248.32 that the overpayments must be calculated and collected on a service period basis;

249.1 (2) if the family no longer remains eligible for child care assistance and the overpayments
249.2 were the result of fraud under section 256.98 or 256.046, theft under section 609.52, false
249.3 claims under the state or federal False Claims Act, or a federal crime relating to theft of
249.4 government funds or fraudulent receipt of benefits for a program administered by the county
249.5 or commissioner, the county or commissioner shall seek voluntary repayment from the
249.6 family and shall initiate civil court proceedings to recover the overpayment if the county
249.7 or commissioner is unable to recoup the overpayment through voluntary repayment;

249.8 (3) if the family no longer remains eligible for child care assistance, the overpayments
249.9 were not the result of fraud, theft, or a federal crime as described in clause (2), and the
249.10 overpayment is less than \$50, the county or commissioner may choose to initiate efforts to
249.11 recover overpayments from the family for overpayment less than \$50. If the overpayment
249.12 is greater than or equal to \$50, the county shall seek voluntary repayment of the overpayment
249.13 from the family. If the county is unable to recoup the overpayment through voluntary
249.14 repayment, the county shall initiate civil court proceedings to recover the overpayment
249.15 unless the county's costs to recover the overpayment will exceed the amount of the
249.16 overpayment.; or

249.17 (4) if the family no longer remains eligible for child care assistance, the overpayments
249.18 were not the result of fraud, theft, or a federal crime as described in clause (2), and the
249.19 overpayment is greater than or equal to \$50, the county or commissioner shall seek voluntary
249.20 repayment of the overpayment from the family. If the county or commissioner is unable to
249.21 recoup the overpayment through voluntary repayment, the county or commissioner shall
249.22 initiate civil court proceedings to recover the overpayment unless the county's or
249.23 commissioner's costs to recover the overpayment will exceed the amount of the overpayment.

249.24 (c) The commissioner's authority to recoup and recover overpayments from families in
249.25 paragraph (b) is limited to investigations conducted under chapter 245E.

249.26 (d) A family with an outstanding debt under this subdivision is not eligible for child care
249.27 assistance until:

249.28 (1) the debt is paid in full; or

249.29 (2) satisfactory arrangements are made with the county or commissioner to retire the
249.30 debt consistent with the requirements of this chapter and Minnesota Rules, chapter 3400,
249.31 and the family is in compliance with the arrangements.; or

249.32 (3) the commissioner determines that it is in the best interests of the state to compromise
249.33 debts owed to the state pursuant to section 16D.15.

250.1 ~~(e)~~ (e) The county or commissioner must recover an overpayment from a provider if the
250.2 overpayment did not benefit the family by causing it to receive more child care assistance
250.3 or to pay less for child care expenses than the family otherwise would have been eligible
250.4 to receive or required to pay under child care assistance program requirements, and benefited
250.5 the provider by causing the provider to receive more child care assistance than otherwise
250.6 would have been paid on the family's behalf under child care assistance program
250.7 requirements. The recovery shall proceed as follows:

250.8 (1) if the provider continues to care for children receiving child care assistance, the
250.9 overpayment must be recovered through reductions in child care assistance payments for
250.10 services as described in an agreement with the county; recoupment as identified in Minnesota
250.11 Rules, part 3400.0187, and the provider may not charge families using that provider more
250.12 to cover the cost of recouping the overpayment;

250.13 (2) if the provider no longer cares for children receiving child care assistance and the
250.14 overpayment was the result of fraud under section 256.98 or 256.046, theft under section
250.15 609.52, false claims under the state or federal False Claims Act, or a federal crime relating
250.16 to theft of government funds or fraudulent billing for a program administered by the county
250.17 or commissioner, the county or commissioner shall seek voluntary repayment from the
250.18 provider and shall initiate civil court proceedings to recover the overpayment if the county
250.19 or commissioner is unable to recoup the overpayment through voluntary repayment;

250.20 (3) if the provider no longer cares for children receiving child care assistance, the
250.21 overpayment was not the result of fraud, theft, or a federal crime as described under clause
250.22 (2), and the overpayment is less than \$50, the county or commissioner may choose to initiate
250.23 efforts to recover overpayments of less than \$50 from the provider. If the overpayment is
250.24 greater than or equal to \$50, the county shall seek voluntary repayment of the overpayment
250.25 from the provider. If the county is unable to recoup the overpayment through voluntary
250.26 repayment, the county shall initiate civil court proceedings to recover the overpayment
250.27 unless the county's costs to recover the overpayment will exceed the amount of the
250.28 overpayment. the overpayment; or

250.29 (4) if the provider no longer cares for children receiving child care assistance, the
250.30 overpayment was not the result of fraud, theft, or a federal crime as described under clause
250.31 (2), and the overpayment is greater than or equal to \$50, the county or commissioner shall
250.32 seek voluntary repayment of the overpayment from the provider. If the county or
250.33 commissioner is unable to recoup the overpayment through voluntary repayment, the county
250.34 or commissioner shall initiate civil court proceedings to recover the overpayment unless

251.1 the county's or commissioner's costs to recover the overpayment will exceed the amount of
251.2 the overpayment.

251.3 (f) A provider with an outstanding debt under this subdivision is not eligible to care for
251.4 children receiving child care assistance until:

251.5 (1) the debt is paid in full; ~~or~~

251.6 (2) satisfactory arrangements are made with the county or commissioner to retire the
251.7 debt consistent with the requirements of this chapter and Minnesota Rules, chapter 3400,
251.8 and the provider is in compliance with the arrangements; or

251.9 (3) the commissioner determines that it is in the best interests of the state to compromise
251.10 debts owed to the state pursuant to section 16D.15.

251.11 ~~(d)~~ (g) When both the family and the provider acted together to intentionally cause the
251.12 overpayment, both the family and the provider are jointly liable for the overpayment
251.13 regardless of who benefited from the overpayment. The county or commissioner must
251.14 recover the overpayment as provided in paragraphs (b) and ~~(e)~~ (e). When the family or the
251.15 provider is in compliance with a repayment agreement, the party in compliance is eligible
251.16 to receive child care assistance or to care for children receiving child care assistance despite
251.17 the other party's noncompliance with repayment arrangements.

251.18 (h) Neither a county agency nor the commissioner shall recover an overpayment from
251.19 a family or a provider that occurred more than six years before the county or the
251.20 commissioner determined the amount of the overpayment. This paragraph does not apply
251.21 to overpayments that are the result of fraud under section 256.046 or 256.98, theft under
251.22 section 609.52, false claims under the state or federal False Claims Act, or a federal crime
251.23 relating to theft of government funds or fraudulent receipt of benefits.

251.24 **EFFECTIVE DATE.** This section is effective August 1, 2021.

251.25 Sec. 4. Minnesota Statutes 2020, section 119B.125, subdivision 1, is amended to read:

251.26 Subdivision 1. **Authorization.** ~~Except as provided in subdivision 5,~~ A county or the
251.27 commissioner must authorize the provider chosen by an applicant or a participant before
251.28 the county can authorize payment for care provided by that provider. The commissioner
251.29 must establish the requirements necessary for authorization of providers. A provider must
251.30 be reauthorized every two years. A legal, nonlicensed family child care provider also must
251.31 be reauthorized when another person over the age of 13 joins the household, a current
251.32 household member turns 13, or there is reason to believe that a household member has a
251.33 factor that prevents authorization. The provider is required to report all family changes that

252.1 would require reauthorization. When a provider has been authorized for payment for
252.2 providing care for families in more than one county, the county responsible for
252.3 reauthorization of that provider is the county of the family with a current authorization for
252.4 that provider and who has used the provider for the longest length of time.

252.5 **EFFECTIVE DATE.** This section is effective August 1, 2021.

252.6 Sec. 5. Minnesota Statutes 2020, section 119B.13, subdivision 1, is amended to read:

252.7 Subdivision 1. **Subsidy restrictions.** (a) Beginning November 15, 2021, the maximum
252.8 rate paid for child care assistance in any county or county price cluster under the child care
252.9 fund shall be:

252.10 (1) for all infants and toddlers, the greater of the 25th 40th percentile of the 2018 2021
252.11 child care provider rate survey or the rates in effect at the time of the update; and

252.12 (2) for all preschool and school-age children, the greater of the 30th percentile of the
252.13 2021 child care provider rate survey or the rates in effect at the time of the update.

252.14 (b) Beginning the first full service period on or after January 1, 2025, the maximum rate
252.15 paid for child care assistance in a county or county price cluster under the child care fund
252.16 shall be:

252.17 (1) for all infants and toddlers, the greater of the 40th percentile of the 2024 child care
252.18 provider rate survey or the rates in effect at the time of the update; and

252.19 (2) for all preschool and school-age children, the greater of the 30th percentile of the
252.20 2024 child care provider rate survey or the rates in effect at the time of the update.

252.21 The rates under paragraph (a) continue until the rates under this paragraph go into effect.

252.22 (c) For a child care provider located within the boundaries of a city located in two or
252.23 more of the counties of Benton, Sherburne, and Stearns, the maximum rate paid for child
252.24 care assistance shall be equal to the maximum rate paid in the county with the highest
252.25 maximum reimbursement rates or the provider's charge, whichever is less. The commissioner
252.26 may: (1) assign a county with no reported provider prices to a similar price cluster; and (2)
252.27 consider county level access when determining final price clusters.

252.28 ~~(b)~~ (d) A rate which includes a special needs rate paid under subdivision 3 may be in
252.29 excess of the maximum rate allowed under this subdivision.

252.30 ~~(e)~~ (e) The department shall monitor the effect of this paragraph on provider rates. The
252.31 county shall pay the provider's full charges for every child in care up to the maximum

253.1 established. The commissioner shall determine the maximum rate for each type of care on
253.2 an hourly, full-day, and weekly basis, including special needs and disability care.

253.3 ~~(d)~~ (f) If a child uses one provider, the maximum payment for one day of care must not
253.4 exceed the daily rate. The maximum payment for one week of care must not exceed the
253.5 weekly rate.

253.6 ~~(e)~~ (g) If a child uses two providers under section 119B.097, the maximum payment
253.7 must not exceed:

253.8 (1) the daily rate for one day of care;

253.9 (2) the weekly rate for one week of care by the child's primary provider; and

253.10 (3) two daily rates during two weeks of care by a child's secondary provider.

253.11 ~~(f)~~ (h) Child care providers receiving reimbursement under this chapter must not be paid
253.12 activity fees or an additional amount above the maximum rates for care provided during
253.13 nonstandard hours for families receiving assistance.

253.14 ~~(g)~~ (i) If the provider charge is greater than the maximum provider rate allowed, the
253.15 parent is responsible for payment of the difference in the rates in addition to any family
253.16 co-payment fee.

253.17 ~~(h) All maximum provider rates changes shall be implemented on the Monday following~~
253.18 ~~the effective date of the maximum provider rate.~~

253.19 ~~(i) Beginning September 21, 2020,~~ (j) The maximum registration fee paid for child care
253.20 assistance in any county or county price cluster under the child care fund shall be set as
253.21 follows: (1) beginning November 15, 2021, the greater of the 25th 40th percentile of the
253.22 2018 2021 child care provider rate survey or the registration fee in effect at the time of the
253.23 update; and (2) beginning the first full service period on or after January 1, 2025, the
253.24 maximum registration fee shall be the greater of the 40th percentile of the 2024 child care
253.25 provider rate survey or the registration fee in effect at the time of the update. The registration
253.26 fees under clause (1) continue until the registration fees under clause (2) go into effect.

253.27 (k) Maximum registration fees must be set for licensed family child care and for child
253.28 care centers. For a child care provider located in the boundaries of a city located in two or
253.29 more of the counties of Benton, Sherburne, and Stearns, the maximum registration fee paid
253.30 for child care assistance shall be equal to the maximum registration fee paid in the county
253.31 with the highest maximum registration fee or the provider's charge, whichever is less.

253.32 **EFFECTIVE DATE.** This section is effective November 15, 2021.

254.1 Sec. 6. Minnesota Statutes 2020, section 119B.13, subdivision 1a, is amended to read:

254.2 Subd. 1a. **Legal nonlicensed family child care provider rates.** (a) Legal nonlicensed
254.3 family child care providers receiving reimbursement under this chapter must be paid on an
254.4 hourly basis for care provided to families receiving assistance.

254.5 (b) The maximum rate paid to legal nonlicensed family child care providers must be ~~68~~
254.6 90 percent of the county maximum hourly rate for licensed family child care providers. In
254.7 counties or county price clusters where the maximum hourly rate for licensed family child
254.8 care providers is higher than the maximum weekly rate for those providers divided by 50,
254.9 the maximum hourly rate that may be paid to legal nonlicensed family child care providers
254.10 is the rate equal to the maximum weekly rate for licensed family child care providers divided
254.11 by 50 and then multiplied by ~~0.68~~ 0.90. The maximum payment to a provider for one day
254.12 of care must not exceed the maximum hourly rate times ten. The maximum payment to a
254.13 provider for one week of care must not exceed the maximum hourly rate times 50.

254.14 (c) A rate which includes a special needs rate paid under subdivision 3 may be in excess
254.15 of the maximum rate allowed under this subdivision.

254.16 (d) Legal nonlicensed family child care providers receiving reimbursement under this
254.17 chapter may not be paid registration fees for families receiving assistance.

254.18 **EFFECTIVE DATE.** This section is effective November 15, 2021.

254.19 Sec. 7. Minnesota Statutes 2020, section 119B.13, subdivision 6, is amended to read:

254.20 Subd. 6. **Provider payments.** (a) A provider shall bill only for services documented
254.21 according to section 119B.125, subdivision 6. The provider shall bill for services provided
254.22 within ten days of the end of the service period. Payments under the child care fund shall
254.23 be made within 21 days of receiving a complete bill from the provider. Counties or the state
254.24 may establish policies that make payments on a more frequent basis.

254.25 (b) If a provider has received an authorization of care and been issued a billing form for
254.26 an eligible family, the bill must be submitted within 60 days of the last date of service on
254.27 the bill. A bill submitted more than 60 days after the last date of service must be paid if the
254.28 county determines that the provider has shown good cause why the bill was not submitted
254.29 within 60 days. Good cause must be defined in the county's child care fund plan under
254.30 section 119B.08, subdivision 3, and the definition of good cause must include county error.
254.31 Any bill submitted more than a year after the last date of service on the bill must not be
254.32 paid.

255.1 (c) If a provider provided care for a time period without receiving an authorization of
255.2 care and a billing form for an eligible family, payment of child care assistance may only be
255.3 made retroactively for a maximum of ~~six~~ three months from the date the provider is issued
255.4 an authorization of care and billing form. For a family at application, if a provider provided
255.5 child care during a time period without receiving an authorization of care and a billing form,
255.6 a county may only make child care assistance payments to the provider retroactively from
255.7 the date that child care began, or from the date that the family's eligibility began under
255.8 section 119B.09, subdivision 7, or from the date that the family meets authorization
255.9 requirements, not to exceed six months from the date that the provider is issued an
255.10 authorization of care and billing form, whichever is later.

255.11 (d) A county or the commissioner may refuse to issue a child care authorization to a
255.12 certified, licensed, or legal nonlicensed provider, revoke an existing child care authorization
255.13 to a certified, licensed, or legal nonlicensed provider, stop payment issued to a certified,
255.14 licensed, or legal nonlicensed provider, or refuse to pay a bill submitted by a certified,
255.15 licensed, or legal nonlicensed provider if:

255.16 (1) the provider admits to intentionally giving the county materially false information
255.17 on the provider's billing forms;

255.18 (2) a county or the commissioner finds by a preponderance of the evidence that the
255.19 provider intentionally gave the county materially false information on the provider's billing
255.20 forms, or provided false attendance records to a county or the commissioner;

255.21 (3) the provider is in violation of child care assistance program rules, until the agency
255.22 determines those violations have been corrected;

255.23 (4) the provider is operating after:

255.24 (i) an order of suspension of the provider's license issued by the commissioner;

255.25 (ii) an order of revocation of the provider's license issued by the commissioner; or

255.26 (iii) ~~a final order of conditional license issued by the commissioner for as long as the~~
255.27 ~~conditional license is in effect~~ an order of decertification issued to the provider;

255.28 (5) the provider submits false attendance reports or refuses to provide documentation
255.29 of the child's attendance upon request;

255.30 (6) the provider gives false child care price information; or

255.31 (7) the provider fails to report decreases in a child's attendance as required under section
255.32 119B.125, subdivision 9.

256.1 (e) For purposes of paragraph (d), clauses (3), (5), (6), and (7), the county or the
256.2 commissioner may withhold the provider's authorization or payment for a period of time
256.3 not to exceed three months beyond the time the condition has been corrected.

256.4 (f) A county's payment policies must be included in the county's child care plan under
256.5 section 119B.08, subdivision 3. If payments are made by the state, in addition to being in
256.6 compliance with this subdivision, the payments must be made in compliance with section
256.7 16A.124.

256.8 (g) If the commissioner or responsible county agency suspends or refuses payment to a
256.9 provider under paragraph (d), clause (1) or (2), or chapter 245E and the provider has:

256.10 (1) a disqualification for wrongfully obtaining assistance under section 256.98,
256.11 subdivision 8, paragraph (c);

256.12 (2) an administrative disqualification under section 256.046, subdivision 3; or

256.13 (3) a termination under section 245E.02, subdivision 4, paragraph (c), clause (4), or
256.14 245E.06;

256.15 then the provider forfeits the payment to the commissioner or the responsible county agency,
256.16 regardless of the amount assessed in an overpayment, charged in a criminal complaint, or
256.17 ordered as criminal restitution.

256.18 **EFFECTIVE DATE.** The amendments to paragraph (c) are effective July 1, 2021. The
256.19 amendments to paragraphs (d) and (g) are effective August 1, 2021.

256.20 Sec. 8. Minnesota Statutes 2020, section 119B.13, subdivision 7, is amended to read:

256.21 Subd. 7. **Absent days.** (a) Licensed child care providers and license-exempt centers
256.22 must not be reimbursed for more than 25 full-day absent days per child, excluding holidays,
256.23 in a calendar year, or for more than ten consecutive full-day absent days. "Absent day"
256.24 means any day that the child is authorized and scheduled to be in care with a licensed
256.25 provider or license-exempt center, and the child is absent from the care for the entire day.
256.26 Legal nonlicensed family child care providers must not be reimbursed for absent days. If a
256.27 child attends for part of the time authorized to be in care in a day, but is absent for part of
256.28 the time authorized to be in care in that same day, the absent time must be reimbursed but
256.29 the time must not count toward the absent days limit. Child care providers must only be
256.30 reimbursed for absent days if the provider has a written policy for child absences and charges
256.31 all other families in care for similar absences.

257.1 (b) Notwithstanding paragraph (a), children with documented medical conditions that
257.2 cause more frequent absences may exceed the 25 absent days limit, or ten consecutive
257.3 full-day absent days limit. Absences due to a documented medical condition of a parent or
257.4 sibling who lives in the same residence as the child receiving child care assistance do not
257.5 count against the absent days limit in a calendar year. Documentation of medical conditions
257.6 must be on the forms and submitted according to the timelines established by the
257.7 commissioner. A public health nurse or school nurse may verify the illness in lieu of a
257.8 medical practitioner. If a provider sends a child home early due to a medical reason,
257.9 including, but not limited to, fever or contagious illness, the child care center director or
257.10 lead teacher may verify the illness in lieu of a medical practitioner.

257.11 (c) Notwithstanding paragraph (a), children in families may exceed the absent days limit
257.12 if at least one parent: (1) is under the age of 21; (2) does not have a high school diploma or
257.13 commissioner of education-selected high school equivalency certification; and (3) is a
257.14 student in a school district or another similar program that provides or arranges for child
257.15 care, parenting support, social services, career and employment supports, and academic
257.16 support to achieve high school graduation, upon request of the program and approval of the
257.17 county. If a child attends part of an authorized day, payment to the provider must be for the
257.18 full amount of care authorized for that day.

257.19 (d) Child care providers must be reimbursed for up to ten federal or state holidays or
257.20 designated holidays per year when the provider charges all families for these days and the
257.21 holiday or designated holiday falls on a day when the child is authorized to be in attendance.
257.22 Parents may substitute other cultural or religious holidays for the ten recognized state and
257.23 federal holidays. Holidays do not count toward the absent days limit.

257.24 (e) A family ~~or child care provider~~ must not be assessed an overpayment for an absent
257.25 day payment unless (1) there was an error in the amount of care authorized for the family,
257.26 or (2) all of the allowed full-day absent payments for the child have been paid, ~~or (3) the~~
257.27 ~~family or provider did not timely report a change as required under law.~~

257.28 (f) The provider and family shall receive notification of the number of absent days used
257.29 upon initial provider authorization for a family and ongoing notification of the number of
257.30 absent days used as of the date of the notification.

257.31 (g) For purposes of this subdivision, "absent days limit" means 25 full-day absent days
257.32 per child, excluding holidays, in a calendar year; and ten consecutive full-day absent days.

257.33 (h) For purposes of this subdivision, "holidays limit" means ten full-day holidays per
257.34 child, excluding absent days, in a calendar year.

258.1 (i) If a day meets the criteria of an absent day or a holiday under this subdivision, the
 258.2 provider must bill that day as an absent day or holiday. A provider's failure to properly bill
 258.3 an absent day or a holiday results in an overpayment, regardless of whether the child reached,
 258.4 or is exempt from, the absent days limit or holidays limit for the calendar year.

258.5 **EFFECTIVE DATE.** This section is effective August 1, 2021.

258.6 Sec. 9. Minnesota Statutes 2020, section 119B.25, is amended to read:

258.7 **119B.25 CHILD CARE IMPROVEMENT GRANTS.**

258.8 Subdivision 1. **Purpose.** The purpose of this section is to enhance and expand child care
 258.9 sites, to encourage private investment in child care and early childhood education sites, to
 258.10 promote availability of quality, affordable child care throughout Minnesota, and to provide
 258.11 for cooperation between private nonprofit child care organizations, family child care and
 258.12 center providers and the department.

258.13 Subd. 2. **Grants.** (a) The commissioner shall distribute money provided by this section
 258.14 through ~~a grant~~ grants to ~~a one or more nonprofit corporation organized~~ corporations to
 258.15 plan, develop, and finance early childhood education and child care sites. ~~The~~ A nonprofit
 258.16 corporation must have demonstrated the ability to analyze financing projects, have knowledge
 258.17 of other sources of public and private financing for child care and early childhood education
 258.18 sites, and have a relationship with regional resource and referral programs. The board of
 258.19 directors of ~~the~~ a nonprofit corporation must include members who are knowledgeable about
 258.20 early childhood education, child care, development and improvement, and financing.

258.21 (b) The commissioners of the Departments of Human Services ~~and~~ and, Employment and
 258.22 Economic Development, and ~~the commissioner~~ of the Housing Finance Agency shall advise
 258.23 ~~the board on the~~ boards of any nonprofit corporations that use the grant money provided
 258.24 under this section for loan program programs as described in subdivision 3, paragraph (a),
 258.25 clauses (1) to (4). ~~The grant must be used to make loans to improve child care or early~~
 258.26 ~~childhood education sites, or loans to plan, design, and construct or expand licensed and~~
 258.27 ~~legal unlicensed sites to increase the availability of child care or early childhood education.~~
 258.28 All loans made by ~~the~~ a nonprofit corporation under this section must comply with section
 258.29 363A.16.

258.30 Subd. 3. **Financing program.** (a) A nonprofit corporation that receives a grant under
 258.31 this section shall use the money ~~to~~ for one or more of the following activities:

258.32 (1) to establish a revolving loan fund to make loans to existing, expanding, and new
 258.33 licensed and legal unlicensed child care and early childhood education sites;

259.1 (2) to establish a fund to guarantee private loans to improve or construct a child care or
259.2 early childhood education site;

259.3 (3) to establish a fund to provide forgivable loans or grants to match all or part of a loan
259.4 made under this section;

259.5 (4) to establish a fund as a reserve against bad debt; and

259.6 (5) ~~establish a fund~~ to provide business planning assistance for child care providers;

259.7 (6) to provide training and consultation for child care providers to build and strengthen
259.8 their businesses and acquire key business skills; and

259.9 (7) to provide grants to child care providers for facility improvements, minor renovations,
259.10 and related equipment and services, including assistance to meet licensing requirements,
259.11 needed to establish, maintain, or expand licensed and legal unlicensed child care and early
259.12 childhood education sites.

259.13 ~~The~~ (b) A nonprofit corporation establishing loans under this section shall establish the
259.14 terms and conditions for loans and loan guarantees including, but not limited to, interest
259.15 rates, repayment agreements, private match requirements, and conditions for loan forgiveness.
259.16 ~~The~~ A nonprofit corporation shall establish a minimum interest rate for loans to ensure that
259.17 necessary loan administration costs are covered. ~~The~~ A nonprofit corporation may use
259.18 interest earnings for administrative expenses.

259.19 Subd. 4. **Reporting.** A nonprofit corporation that receives a grant under this section
259.20 shall:

259.21 (1) annually report by September 30 to the commissioner the purposes for which the
259.22 grant money was used in the past fiscal year, including a description of projects supported
259.23 by the financing, an account of loans and grants made ~~during the calendar year~~, the financing
259.24 program's assets and liabilities, and an explanation of administrative expenses; and

259.25 (2) annually submit to the commissioner a copy of the report of an independent audit
259.26 performed in accordance with generally accepted accounting practices and auditing standards.

259.27 Sec. 10. Minnesota Statutes 2020, section 245E.07, subdivision 1, is amended to read:

259.28 Subdivision 1. **Grounds for and methods of monetary recovery.** (a) The department
259.29 may obtain monetary recovery from a provider who has been improperly paid by the child
259.30 care assistance program, regardless of whether the error was intentional ~~or county error~~.
259.31 Overpayments designated solely as agency error, and not the result of acts or omissions on
259.32 the part of a provider or recipient, must not be established or collected. The department

260.1 does not need to establish a pattern as a precondition of monetary recovery of erroneous or
260.2 false billing claims, duplicate billing claims, or billing claims based on false statements or
260.3 financial misconduct.

260.4 (b) The department shall obtain monetary recovery from providers by the following
260.5 means:

260.6 (1) permitting voluntary repayment of money, either in lump-sum payment or installment
260.7 payments;

260.8 (2) using any legal collection process;

260.9 (3) deducting or withholding program payments; or

260.10 (4) utilizing the means set forth in chapter 16D.

260.11 **EFFECTIVE DATE.** This section is effective August 1, 2021.

260.12 Sec. 11. **DIRECTION TO COMMISSIONER OF HUMAN SERVICES; FEDERAL**
260.13 **FUND AND CHILD CARE AND DEVELOPMENT BLOCK GRANT**
260.14 **ALLOCATIONS.**

260.15 (a) The commissioner of human services shall allocate \$1,500,000 in fiscal year 2022
260.16 from the federal fund to award grants to community-based organizations working with
260.17 family, friend, and neighbor caregivers, with a particular emphasis on such caregivers
260.18 serving children from low-income families, families of color, Tribal communities, or families
260.19 with limited English language proficiency, to promote healthy development, social-emotional
260.20 learning, early literacy, and school readiness.

260.21 (b) The commissioner of human services shall allocate \$13,500,000 in fiscal year 2022
260.22 from the federal fund and \$9,000,000 in fiscal year 2022 from the child care and development
260.23 block grant for grants under Minnesota Statutes, section 119B.25, subdivision 3, paragraph
260.24 (a), clause (7).

260.25 (c) The commissioner of human services shall allocate \$1,500,000 in fiscal year 2022
260.26 from the federal fund and \$1,500,000 in fiscal year 2022 from the child care and development
260.27 block grant for workforce development grants to organizations operating child care resource
260.28 and referral programs under Minnesota Statutes, section 119B.19, to provide economically
260.29 challenged individuals the jobs skills training, career counseling, and job placement assistance
260.30 necessary to begin a career path in child care. By January 1, 2024, the commissioner shall
260.31 report to the chairs and ranking minority members of the legislative committees with

261.1 jurisdiction over early care and education the outcomes of the grant program, including the
261.2 effects on the child care workforce.

261.3 (d) The commissioner of human services shall allocate \$3,000,000 in fiscal year 2022
261.4 from the federal fund for business training grants under Minnesota Statutes, section 119B.25,
261.5 subdivision 3, paragraph (a), clause (6).

261.6 (e) The commissioner of human services shall allocate \$35,444,000 in fiscal year 2022,
261.7 \$66,398,000 in fiscal year 2023, \$81,755,000 in fiscal year 2024, and \$57,737,000 in fiscal
261.8 year 2025 from the child care and development block grant for rate and registration fee
261.9 increases under Minnesota Statutes, section 119B.13, subdivision 1, paragraphs (a) and (h),
261.10 including amounts for reprioritization of the basic sliding fee waiting list under Minnesota
261.11 Statutes, section 119B.03, subdivision 4a, amounts for additional funding for the basic
261.12 sliding fee child care assistance program under Minnesota Statutes, section 119B.03, and
261.13 amounts to increase child care assistance rates for legal, nonlicensed family child care
261.14 providers under Minnesota Statutes, section 119B.13, subdivision 1a. The commissioner
261.15 may not increase the rate differential percentage established under Minnesota Statutes,
261.16 section 119B.13, subdivision 3a or 3b. If increased federal discretionary child care
261.17 development block grant funding is used to pay for the rate increase in this clause, the
261.18 commissioner, in consultation with the commissioner of management and budget, may
261.19 adjust the amount of working family credit expenditures as needed to meet the state's
261.20 maintenance of effort requirements for the TANF block grant.

261.21 (f) The allocations in this section are available until June 30, 2025.

261.22 Sec. 12. **REPEALER.**

261.23 Minnesota Statutes 2020, section 119B.125, subdivision 5, is repealed effective August
261.24 1, 2021.

261.25

ARTICLE 9

261.26

CHILD PROTECTION

261.27 Section 1. Minnesota Statutes 2020, section 256N.25, subdivision 2, is amended to read:

261.28 Subd. 2. **Negotiation of agreement.** (a) When a child is determined to be eligible for
261.29 Northstar kinship assistance or adoption assistance, the financially responsible agency, or,
261.30 if there is no financially responsible agency, the agency designated by the commissioner,
261.31 must negotiate with the caregiver to develop an agreement under subdivision 1. If and when
261.32 the caregiver and agency reach concurrence as to the terms of the agreement, both parties

262.1 shall sign the agreement. The agency must submit the agreement, along with the eligibility
262.2 determination outlined in sections 256N.22, subdivision 7, and 256N.23, subdivision 7, to
262.3 the commissioner for final review, approval, and signature according to subdivision 1.

262.4 (b) A monthly payment is provided as part of the adoption assistance or Northstar kinship
262.5 assistance agreement to support the care of children unless the child is eligible for adoption
262.6 assistance and determined to be an at-risk child, in which case no payment will be made
262.7 unless and until the caregiver obtains written documentation from a qualified expert that
262.8 the potential disability upon which eligibility for the agreement was based has manifested
262.9 itself.

262.10 (1) The amount of the payment made on behalf of a child eligible for Northstar kinship
262.11 assistance or adoption assistance is determined through agreement between the prospective
262.12 relative custodian or the adoptive parent and the financially responsible agency, or, if there
262.13 is no financially responsible agency, the agency designated by the commissioner, using the
262.14 assessment tool established by the commissioner in section 256N.24, subdivision 2, and the
262.15 associated benefit and payments outlined in section 256N.26. Except as provided under
262.16 section 256N.24, subdivision 1, paragraph (c), the assessment tool establishes the monthly
262.17 benefit level for a child under foster care. The monthly payment under a Northstar kinship
262.18 assistance agreement or adoption assistance agreement may be negotiated up to the monthly
262.19 benefit level under foster care. In no case may the amount of the payment under a Northstar
262.20 kinship assistance agreement or adoption assistance agreement exceed the foster care
262.21 maintenance payment which would have been paid during the month if the child with respect
262.22 to whom the Northstar kinship assistance or adoption assistance payment is made had been
262.23 in a foster family home in the state.

262.24 (2) The rate schedule for the agreement is determined based on the age of the child on
262.25 the date that the prospective adoptive parent or parents or relative custodian or custodians
262.26 sign the agreement.

262.27 (3) The income of the relative custodian or custodians or adoptive parent or parents must
262.28 not be taken into consideration when determining eligibility for Northstar kinship assistance
262.29 or adoption assistance or the amount of the payments under section 256N.26.

262.30 (4) With the concurrence of the relative custodian or adoptive parent, the amount of the
262.31 payment may be adjusted periodically using the assessment tool established by the
262.32 commissioner in section 256N.24, subdivision 2, and the agreement renegotiated under
262.33 subdivision 3 when there is a change in the child's needs or the family's circumstances.

263.1 (5) An adoptive parent of an at-risk child with an adoption assistance agreement may
263.2 request a reassessment of the child under section 256N.24, subdivision 10, and renegotiation
263.3 of the adoption assistance agreement under subdivision 3 to include a monthly payment, if
263.4 the caregiver has written documentation from a qualified expert that the potential disability
263.5 upon which eligibility for the agreement was based has manifested itself. Documentation
263.6 of the disability must be limited to evidence deemed appropriate by the commissioner.

263.7 (c) For Northstar kinship assistance agreements:

263.8 (1) the initial amount of the monthly Northstar kinship assistance payment must be
263.9 equivalent to the foster care rate in effect at the time that the agreement is signed ~~less any~~
263.10 ~~offsets under section 256N.26, subdivision 11~~, or a lesser negotiated amount if agreed to
263.11 by the prospective relative custodian and specified in that agreement, unless the Northstar
263.12 kinship assistance agreement is entered into when a child is under the age of six; and

263.13 (2) the amount of the monthly payment for a Northstar kinship assistance agreement for
263.14 a child who is under the age of six must be as specified in section 256N.26, subdivision 5.

263.15 (d) For adoption assistance agreements:

263.16 (1) for a child in foster care with the prospective adoptive parent immediately prior to
263.17 adoptive placement, the initial amount of the monthly adoption assistance payment must
263.18 be equivalent to the foster care rate in effect at the time that the agreement is signed ~~less~~
263.19 ~~any offsets in section 256N.26, subdivision 11~~, or a lesser negotiated amount if agreed to
263.20 by the prospective adoptive parents and specified in that agreement, unless the child is
263.21 identified as at-risk or the adoption assistance agreement is entered into when a child is
263.22 under the age of six;

263.23 (2) for an at-risk child who must be assigned level A as outlined in section 256N.26, no
263.24 payment will be made unless and until the potential disability manifests itself, as documented
263.25 by an appropriate professional, and the commissioner authorizes commencement of payment
263.26 by modifying the agreement accordingly;

263.27 (3) the amount of the monthly payment for an adoption assistance agreement for a child
263.28 under the age of six, other than an at-risk child, must be as specified in section 256N.26,
263.29 subdivision 5;

263.30 (4) for a child who is in the Northstar kinship assistance program immediately prior to
263.31 adoptive placement, the initial amount of the adoption assistance payment must be equivalent
263.32 to the Northstar kinship assistance payment in effect at the time that the adoption assistance

264.1 agreement is signed or a lesser amount if agreed to by the prospective adoptive parent and
264.2 specified in that agreement, unless the child is identified as an at-risk child; and

264.3 (5) for a child who is not in foster care placement or the Northstar kinship assistance
264.4 program immediately prior to adoptive placement or negotiation of the adoption assistance
264.5 agreement, the initial amount of the adoption assistance agreement must be determined
264.6 using the assessment tool and process in this section and the corresponding payment amount
264.7 outlined in section 256N.26.

264.8 Sec. 2. Minnesota Statutes 2020, section 256N.25, subdivision 3, is amended to read:

264.9 Subd. 3. **Renegotiation of agreement.** (a) A relative custodian or adoptive parent of a
264.10 child with a Northstar kinship assistance or adoption assistance agreement may request
264.11 renegotiation of the agreement when there is a change in the needs of the child or in the
264.12 family's circumstances. When a relative custodian or adoptive parent requests renegotiation
264.13 of the agreement, a reassessment of the child must be completed consistent with section
264.14 256N.24, subdivisions 10 and 11. If the reassessment indicates that the child's level has
264.15 changed, the financially responsible agency or, if there is no financially responsible agency,
264.16 the agency designated by the commissioner or the commissioner's designee, and the caregiver
264.17 must renegotiate the agreement to include a payment with the level determined through the
264.18 reassessment process. The agreement must not be renegotiated unless the commissioner,
264.19 the financially responsible agency, and the caregiver mutually agree to the changes. The
264.20 effective date of any renegotiated agreement must be determined by the commissioner.

264.21 (b) An adoptive parent of an at-risk child with an adoption assistance agreement may
264.22 request renegotiation of the agreement to include a monthly payment under section 256N.26
264.23 if the caregiver has written documentation from a qualified expert that the potential disability
264.24 upon which eligibility for the agreement was based has manifested itself. Documentation
264.25 of the disability must be limited to evidence deemed appropriate by the commissioner. Prior
264.26 to renegotiating the agreement, a reassessment of the child must be conducted as outlined
264.27 in section 256N.24, subdivision 10. The reassessment must be used to renegotiate the
264.28 agreement to include an appropriate monthly payment. The agreement must not be
264.29 renegotiated unless the commissioner, the financially responsible agency, and the caregiver
264.30 mutually agree to the changes. The effective date of any renegotiated agreement must be
264.31 determined by the commissioner.

264.32 ~~(c) Renegotiation of a Northstar kinship assistance or adoption assistance agreement is~~
264.33 ~~required when one of the circumstances outlined in section 256N.26, subdivision 13, occurs.~~

265.1 Sec. 3. Minnesota Statutes 2020, section 256N.26, subdivision 11, is amended to read:

265.2 Subd. 11. **Child income or income attributable to the child.** (a) A monthly Northstar
265.3 kinship assistance or adoption assistance payment must be considered as income and
265.4 resources attributable to the child. Northstar kinship assistance and adoption assistance are
265.5 exempt from garnishment, except as permissible under the laws of the state where the child
265.6 resides.

265.7 (b) When a child is placed into foster care, any income and resources attributable to the
265.8 child are treated as provided in sections 252.27 and 260C.331, or 260B.331, as applicable
265.9 to the child being placed.

265.10 ~~(c) Consideration of income and resources attributable to the child must be part of the~~
265.11 ~~negotiation process outlined in section 256N.25, subdivision 2. In some circumstances, the~~
265.12 ~~receipt of other income on behalf of the child may impact the amount of the monthly payment~~
265.13 ~~received by the relative custodian or adoptive parent on behalf of the child through Northstar~~
265.14 ~~Care for Children.~~ Supplemental Security Income (SSI), retirement survivor's disability
265.15 insurance (RSDI), veteran's benefits, railroad retirement benefits, and black lung benefits
265.16 are considered income and resources attributable to the child.

265.17 Sec. 4. Minnesota Statutes 2020, section 256N.26, subdivision 13, is amended to read:

265.18 Subd. 13. **Treatment of retirement survivor's disability insurance, veteran's benefits,**
265.19 **railroad retirement benefits, and black lung benefits.** (a) If a child placed in foster care
265.20 receives retirement survivor's disability insurance, veteran's benefits, railroad retirement
265.21 benefits, or black lung benefits at the time of foster care placement or subsequent to
265.22 placement in foster care, the financially responsible agency may apply to be the payee for
265.23 the child for the duration of the child's placement in foster care. If it is anticipated that a
265.24 child will be eligible to receive retirement survivor's disability insurance, veteran's benefits,
265.25 railroad retirement benefits, or black lung benefits after finalization of the adoption or
265.26 assignment of permanent legal and physical custody, the permanent caregiver shall apply
265.27 to be the payee of those benefits on the child's behalf. ~~The monthly amount of the other~~
265.28 ~~benefits must be considered an offset to the amount of the payment the child is determined~~
265.29 ~~eligible for under Northstar Care for Children.~~

265.30 ~~(b) If a child becomes eligible for retirement survivor's disability insurance, veteran's~~
265.31 ~~benefits, railroad retirement benefits, or black lung benefits, after the initial amount of the~~
265.32 ~~payment under Northstar Care for Children is finalized, the permanent caregiver shall contact~~
265.33 ~~the commissioner to redetermine the payment under Northstar Care for Children. The~~

266.1 ~~monthly amount of the other benefits must be considered an offset to the amount of the~~
266.2 ~~payment the child is determined eligible for under Northstar Care for Children.~~

266.3 ~~(c) If a child ceases to be eligible for retirement survivor's disability insurance, veteran's~~
266.4 ~~benefits, railroad retirement benefits, or black lung benefits after the initial amount of the~~
266.5 ~~payment under Northstar Care for Children is finalized, the permanent caregiver shall contact~~
266.6 ~~the commissioner to redetermine the payment under Northstar Care for Children. The~~
266.7 ~~monthly amount of the payment under Northstar Care for Children must be the amount the~~
266.8 ~~child was determined to be eligible for prior to consideration of any offset.~~

266.9 ~~(d) If the monthly payment received on behalf of the child under retirement survivor's~~
266.10 ~~disability insurance, veteran's benefits, railroad retirement benefits, or black lung benefits~~
266.11 ~~changes after the adoption assistance or Northstar kinship assistance agreement is finalized,~~
266.12 ~~the permanent caregiver shall notify the commissioner as to the new monthly payment~~
266.13 ~~amount, regardless of the amount of the change in payment. If the monthly payment changes~~
266.14 ~~by \$75 or more, even if the change occurs incrementally over the duration of the term of~~
266.15 ~~the adoption assistance or Northstar kinship assistance agreement, the monthly payment~~
266.16 ~~under Northstar Care for Children must be adjusted without further consent to reflect the~~
266.17 ~~amount of the increase or decrease in the offset amount. Any subsequent change to the~~
266.18 ~~payment must be reported and handled in the same manner. A change of monthly payments~~
266.19 ~~of less than \$75 is not a permissible reason to renegotiate the adoption assistance or Northstar~~
266.20 ~~kinship assistance agreement under section 256N.25, subdivision 3. The commissioner shall~~
266.21 ~~review and revise the limit at which the adoption assistance or Northstar kinship assistance~~
266.22 ~~agreement must be renegotiated in accordance with subdivision 9.~~

266.23 Sec. 5. Minnesota Statutes 2020, section 260C.163, subdivision 3, is amended to read:

266.24 Subd. 3. **Appointment of counsel.** (a) The child, parent, guardian or custodian has the
266.25 right to effective assistance of counsel in connection with a proceeding in juvenile court as
266.26 provided in this subdivision.

266.27 (b) Except in proceedings where the sole basis for the petition is habitual truancy, if the
266.28 child desires counsel but is unable to employ it, the court shall appoint counsel to represent
266.29 the child who is ten years of age or older under section 611.14, clause (4), or other counsel
266.30 at public expense.

266.31 (c) ~~Except in proceedings where the sole basis for the petition is habitual truancy, if the~~
266.32 ~~parent, guardian, or custodian desires counsel but is unable to employ it, the court shall~~
266.33 ~~appoint counsel to represent the parent, guardian, or custodian in any case in which it feels~~
266.34 ~~that such an appointment is appropriate if the person would be financially unable to obtain~~

267.1 ~~counsel under the guidelines set forth in section 611.17.~~ In all child protection proceedings
267.2 where a child risks removal from the care of the child's parent, guardian, or custodian,
267.3 including a child in need of protection or services petition, an action pursuing removal of
267.4 a child from the child's home, a termination of parental rights petition, or a petition for
267.5 permanent out-of-home placement, if the parent, guardian, or custodian desires counsel and
267.6 is eligible for counsel under section 611.17, the court shall appoint counsel to represent
267.7 each parent, guardian, or custodian prior to the first hearing on the petition and at all stages
267.8 of the proceedings. Court appointed counsel shall be at county expense as outlined in
267.9 paragraph (h).

267.10 (d) In any proceeding where the subject of a petition for a child in need of protection or
267.11 services is ten years of age or older, the responsible social services agency shall, within 14
267.12 days after filing the petition or at the emergency removal hearing under section 260C.178,
267.13 subdivision 1, if the child is present, fully and effectively inform the child of the child's
267.14 right to be represented by appointed counsel upon request and shall notify the court as to
267.15 whether the child desired counsel. Information provided to the child shall include, at a
267.16 minimum, the fact that counsel will be provided without charge to the child, that the child's
267.17 communications with counsel are confidential, and that the child has the right to participate
267.18 in all proceedings on a petition, including the opportunity to personally attend all hearings.
267.19 The responsible social services agency shall also, within 14 days of the child's tenth birthday,
267.20 fully and effectively inform the child of the child's right to be represented by counsel if the
267.21 child reaches the age of ten years while the child is the subject of a petition for a child in
267.22 need of protection or services or is a child under the guardianship of the commissioner.

267.23 (e) In any proceeding where the sole basis for the petition is habitual truancy, the child,
267.24 parent, guardian, and custodian do not have the right to appointment of a public defender
267.25 or other counsel at public expense. However, before any out-of-home placement, including
267.26 foster care or inpatient treatment, can be ordered, the court must appoint a public defender
267.27 or other counsel at public expense in accordance with this subdivision.

267.28 (f) Counsel for the child shall not also act as the child's guardian ad litem.

267.29 (g) In any proceeding where the subject of a petition for a child in need of protection or
267.30 services is not represented by an attorney, the court shall determine the child's preferences
267.31 regarding the proceedings, including informing the child of the right to appointed counsel
267.32 and asking whether the child desires counsel, if the child is of suitable age to express a
267.33 preference.

268.1 (h) Court-appointed counsel for the parent, guardian, or custodian under this subdivision
268.2 is at county expense. If the county has contracted with counsel ~~meeting qualifications under~~
268.3 ~~paragraph (i)~~, the court shall appoint the counsel retained by the county, unless a conflict
268.4 of interest exists. If a conflict exists, after consulting with the chief judge of the judicial
268.5 district or the judge's designee, the county shall contract with competent counsel to provide
268.6 the necessary representation. The court may appoint only one counsel at public expense for
268.7 the first court hearing to represent the interests of the parents, guardians, and custodians,
268.8 unless, at any time during the proceedings upon petition of a party, the court determines
268.9 and makes written findings on the record that extraordinary circumstances exist that require
268.10 counsel to be appointed to represent a separate interest of other parents, guardians, or
268.11 custodians subject to the jurisdiction of the juvenile court.

268.12 ~~(i) Counsel retained by the county under paragraph (h) must meet the qualifications~~
268.13 ~~established by the Judicial Council in at least one of the following: (1) has a minimum of~~
268.14 ~~two years' experience handling child protection cases; (2) has training in handling child~~
268.15 ~~protection cases from a course or courses approved by the Judicial Council; or (3) is~~
268.16 ~~supervised by an attorney who meets the minimum qualifications under clause (1) or (2).~~

268.17 **EFFECTIVE DATE.** This section is effective January 1, 2023.

268.18 Sec. 6. **DIRECTION TO THE COMMISSIONER; INITIAL IMPLEMENTATION**
268.19 **OF COURT-APPOINTED COUNSEL IN CHILD PROTECTION PROCEEDINGS.**

268.20 (a) The commissioner of human services shall consult with counties and court
268.21 administration regarding the availability of and process for collecting data related to
268.22 court-appointed counsel under Minnesota Statutes, section 260C.163, subdivision 3, including
268.23 but not limited to:

268.24 (1) data documenting the presence of court-appointed counsel for qualifying parents,
268.25 guardians, or custodians at each emergency protective hearing;

268.26 (2) total annual court-appointed parent representation expenditures for each county;

268.27 (3) an appropriate formula to be used for distributing funding to counties to defray the
268.28 costs of court-appointed counsel in child protection proceedings;

268.29 (4) an appropriate allocation timeline for distributing funds to counties; and

268.30 (5) additional demographic information that would assist counties in obtaining title IV-E
268.31 reimbursement.

269.1 (b) By July 1, 2022, the commissioner must report to the chairs and ranking minority
269.2 members of the legislative committees with jurisdiction over human services and judiciary
269.3 policy and finance with the findings from the consultation with counties and court
269.4 administration and a plan for regular reporting of this data.

269.5 **ARTICLE 10**

269.6 **CHILD PROTECTION POLICY**

269.7 **Section 1. [260E.055] DUTY TO REPORT; PRIVATE OR PUBLIC YOUTH**
269.8 **RECREATION PROGRAM.**

269.9 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
269.10 the meanings given.

269.11 (b) "Abuse" means egregious harm, physical abuse, sexual abuse, substantial child
269.12 endangerment, or threatened injury as these terms are defined under section 260E.03.

269.13 (c) "Adverse action" includes but is not limited to:

269.14 (1) discharge, suspension, termination, or transfer from the private or public youth
269.15 recreation program;

269.16 (2) discharge from or termination of employment;

269.17 (3) demotion or reduction in remuneration for services; or

269.18 (4) restriction or prohibition of access to the private or public youth recreation program
269.19 or persons affiliated with it.

269.20 (d) "Employee" means a person who is 18 years of age or older who performs services
269.21 for hire for an employer and has full-time, part-time, or short-term responsibilities for the
269.22 care of the child including but not limited to day care, counseling, teaching, and coaching.
269.23 An employee does not include an independent contractor or volunteer.

269.24 (e) "Municipality" has the meaning given in section 466.01, subdivision 1.

269.25 (f) "Private or public youth recreation program" includes but is not limited to day camps
269.26 or programs involving athletics, theater, arts, religious education, outdoor education, youth
269.27 empowerment, or socialization.

269.28 Subd. 2. **Duty to report.** (a) An employee or supervisor of a private or public youth
269.29 recreation program shall immediately report information to the local welfare agency, agency
269.30 responsible for assessing or investigating the report, police department, county sheriff,
269.31 Tribal social services agency, or Tribal police department if:

270.1 (1) the employee or supervisor knows or has reason to believe that another employee or
270.2 supervisor is abusing or has abused a child within the preceding three years; or

270.3 (2) a child discloses to the employee or supervisor that the child is being abused or has
270.4 been abused within the preceding three years.

270.5 (b) An oral report shall be made immediately by telephone or otherwise. An oral report
270.6 shall be followed within 72 hours, exclusive of weekends and holidays, by a report in writing.

270.7 Any report shall be of sufficient content to identify the child, any person believed to be
270.8 responsible for the abuse of the child, the nature and extent of the abuse, and the name and
270.9 address of the reporter. The agency receiving the report shall accept a report notwithstanding
270.10 refusal by a reporter to provide the reporter's name or address if the report is otherwise
270.11 sufficient under this paragraph.

270.12 Subd. 3. **Retaliation prohibited.** (a) An employer of any person required to make a
270.13 report under this section shall not retaliate against the person for reporting in good faith, or
270.14 against a child with respect to whom a report is made, because of the report.

270.15 (b) The employer of any person required to report under this section who retaliates
270.16 against the person because of a report under this section is liable to that person for actual
270.17 damages and, in addition, a penalty of up to \$10,000.

270.18 (c) There shall be a rebuttable presumption that any adverse action taken within 90 days
270.19 of a report is retaliatory.

270.20 Subd. 4. **Immunity.** (a) The following persons are immune from civil or criminal liability
270.21 if the person is acting in good faith:

270.22 (1) an employee or supervisor who reports pursuant to this section or, following the
270.23 submission of a report, cooperates with an assessment or investigation under this chapter;
270.24 and

270.25 (2) a municipality or private entity providing a private or public youth recreation program
270.26 that provides training on making a report under this section, assists in making a report under
270.27 this section, or following the submission of a report, cooperates with an investigation or
270.28 assessment under this chapter.

270.29 (b) This subdivision does not provide immunity to any person for failure to make a
270.30 required report or for committing abuse.

270.31 Subd. 5. **Penalties for failure to report; false reports.** (a) A person who is required to
270.32 report under this section but fails to report is guilty of a petty misdemeanor.

271.1 (b) Section 260E.08, paragraph (d), applies to reports made under this section.

271.2 Subd. 6. **Construction with other law.** As used in this section, "reports" does not include
271.3 mandated or voluntary reports under section 260E.06 and nothing in this section shall govern
271.4 reports made pursuant to section 260E.06.

271.5 **EFFECTIVE DATE.** This section is effective June 1, 2022.

271.6 Sec. 2. **[260E.065] TRAINING FOR REPORTERS.**

271.7 The local welfare agency must offer training to a person required to make a report under
271.8 section 260E.055 or 260E.06. The training may be offered online or in person and must
271.9 provide an explanation of the legal obligations of a reporter, consequences for failure to
271.10 report, and instruction on how to detect and report suspected maltreatment or suspected
271.11 abuse, as defined under section 260E.055, subdivision 1, paragraph (b). A local welfare
271.12 agency may fulfill the requirement under this section by directing reporters to trainings
271.13 offered by the commissioner.

271.14 Sec. 3. **LEGISLATIVE TASK FORCE; CHILD PROTECTION.**

271.15 (a) A legislative task force is created to:

271.16 (1) review the efforts being made to implement the recommendations of the Governor's
271.17 Task Force on the Protection of Children;

271.18 (2) expand the efforts into related areas of the child welfare system;

271.19 (3) work with the commissioner of human services and community partners to establish
271.20 and evaluate child protection grants to address disparities in child welfare pursuant to
271.21 Minnesota Statutes, section 256E.28;

271.22 (4) review and recommend alternatives to law enforcement responding to a maltreatment
271.23 report by removing the child and evaluate situations in which it may be appropriate for a
271.24 social worker or other child protection worker to remove the child from the home;

271.25 (5) evaluate current statutes governing mandatory reporters, consider the modification
271.26 of mandatory reporting requirements for private or public youth recreation programs, and,
271.27 if necessary, introduce legislation by February 15, 2022, to implement appropriate
271.28 modifications;

271.29 (6) evaluate and consider the intersection of educational neglect and the child protection
271.30 system; and

272.1 (7) identify additional areas within the child welfare system that need to be addressed
272.2 by the legislature.

272.3 (b) Members of the legislative task force shall include:

272.4 (1) six members from the house of representatives appointed by the speaker of the house,
272.5 including three from the majority party and three from the minority party; and

272.6 (2) six members from the senate, including three members appointed by the senate
272.7 majority leader and three members appointed by the senate minority leader.

272.8 (c) Members of the task force shall serve a term that expires on December 31 of the
272.9 even-numbered year following the year they are appointed. The speaker of the house and
272.10 the majority leader of the senate shall each appoint a chair and vice-chair from the
272.11 membership of the task force. The chair shall rotate after each meeting. The task force must
272.12 meet at least quarterly.

272.13 (d) Initial appointments to the task force shall be made by July 15, 2021. The chair shall
272.14 convene the first meeting of the task force by August 15, 2021.

272.15 (e) The task force may provide oversight and monitoring of:

272.16 (1) the efforts by the Department of Human Services, counties, and Tribes to implement
272.17 laws related to child protection;

272.18 (2) efforts by the Department of Human Services, counties, and Tribes to implement the
272.19 recommendations of the Governor's Task Force on the Protection of Children;

272.20 (3) efforts by agencies including but not limited to the Department of Education, the
272.21 Housing Finance Agency, the Department of Corrections, and the Department of Public
272.22 Safety, to work with the Department of Human Services to assure safety and well-being for
272.23 children at risk of harm or children in the child welfare system; and

272.24 (4) efforts by the Department of Human Services, other agencies, counties, and Tribes
272.25 to implement best practices to ensure every child is protected from maltreatment and neglect
272.26 and to ensure every child has the opportunity for healthy development.

272.27 (f) The task force, in cooperation with the commissioner of human services, shall issue
272.28 a report to the legislature and governor by February 1, 2024. The report must contain
272.29 information on the progress toward implementation of changes to the child protection system,
272.30 recommendations for additional legislative changes and procedures affecting child protection
272.31 and child welfare, and funding needs to implement recommended changes.

272.32 (g) This section expires December 31, 2024.

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

273.2 **ARTICLE 11**

273.3 **BEHAVIORAL HEALTH**

273.4 Section 1. Minnesota Statutes 2020, section 245.462, subdivision 17, is amended to read:

273.5 Subd. 17. **Mental health practitioner.** (a) "Mental health practitioner" means a person
273.6 providing services to adults with mental illness or children with emotional disturbance who
273.7 is qualified in at least one of the ways described in paragraphs (b) to (g). A mental health
273.8 practitioner for a child client must have training working with children. A mental health
273.9 practitioner for an adult client must have training working with adults.

273.10 (b) For purposes of this subdivision, a practitioner is qualified through relevant
273.11 coursework if the practitioner completes at least 30 semester hours or 45 quarter hours in
273.12 behavioral sciences or related fields and:

273.13 (1) has at least 2,000 hours of supervised experience in the delivery of services to adults
273.14 or children with:

273.15 (i) mental illness, substance use disorder, or emotional disturbance; or

273.16 (ii) traumatic brain injury or developmental disabilities and completes training on mental
273.17 illness, recovery from mental illness, mental health de-escalation techniques, co-occurring
273.18 mental illness and substance abuse, and psychotropic medications and side effects;

273.19 (2) is fluent in the non-English language of the ethnic group to which at least 50 percent
273.20 of the practitioner's clients belong, completes 40 hours of training in the delivery of services
273.21 to adults with mental illness or children with emotional disturbance, and receives clinical
273.22 supervision from a mental health professional at least once a week until the requirement of
273.23 2,000 hours of supervised experience is met;

273.24 (3) is working in a day treatment program under section 245.4712, subdivision 2; ~~or~~

273.25 (4) has completed a practicum or internship that (i) requires direct interaction with adults
273.26 or children served, and (ii) is focused on behavioral sciences or related fields; or

273.27 (5) is in the process of completing a practicum or internship as part of a formal
273.28 undergraduate or graduate training program in social work, psychology, or counseling.

273.29 (c) For purposes of this subdivision, a practitioner is qualified through work experience
273.30 if the person:

274.1 (1) has at least 4,000 hours of supervised experience in the delivery of services to adults
274.2 or children with:

274.3 (i) mental illness, substance use disorder, or emotional disturbance; or

274.4 (ii) traumatic brain injury or developmental disabilities and completes training on mental
274.5 illness, recovery from mental illness, mental health de-escalation techniques, co-occurring
274.6 mental illness and substance abuse, and psychotropic medications and side effects; or

274.7 (2) has at least 2,000 hours of supervised experience in the delivery of services to adults
274.8 or children with:

274.9 (i) mental illness, emotional disturbance, or substance use disorder, and receives clinical
274.10 supervision as required by applicable statutes and rules from a mental health professional
274.11 at least once a week until the requirement of 4,000 hours of supervised experience is met;

274.12 or

274.13 (ii) traumatic brain injury or developmental disabilities; completes training on mental
274.14 illness, recovery from mental illness, mental health de-escalation techniques, co-occurring
274.15 mental illness and substance abuse, and psychotropic medications and side effects; and
274.16 receives clinical supervision as required by applicable statutes and rules at least once a week
274.17 from a mental health professional until the requirement of 4,000 hours of supervised
274.18 experience is met.

274.19 (d) For purposes of this subdivision, a practitioner is qualified through a graduate student
274.20 internship if the practitioner is a graduate student in behavioral sciences or related fields
274.21 and is formally assigned by an accredited college or university to an agency or facility for
274.22 clinical training.

274.23 (e) For purposes of this subdivision, a practitioner is qualified by a bachelor's or master's
274.24 degree if the practitioner:

274.25 (1) holds a master's or other graduate degree in behavioral sciences or related fields; or

274.26 (2) holds a bachelor's degree in behavioral sciences or related fields and completes a
274.27 practicum or internship that (i) requires direct interaction with adults or children served,
274.28 and (ii) is focused on behavioral sciences or related fields.

274.29 (f) For purposes of this subdivision, a practitioner is qualified as a vendor of medical
274.30 care if the practitioner meets the definition of vendor of medical care in section 256B.02,
274.31 subdivision 7, paragraphs (b) and (c), and is serving a federally recognized tribe.

275.1 (g) For purposes of medical assistance coverage of diagnostic assessments, explanations
275.2 of findings, and psychotherapy under section 256B.0625, subdivision 65, a mental health
275.3 practitioner working as a clinical trainee means that the practitioner's clinical supervision
275.4 experience is helping the practitioner gain knowledge and skills necessary to practice
275.5 effectively and independently. This may include supervision of direct practice, treatment
275.6 team collaboration, continued professional learning, and job management. The practitioner
275.7 must also:

275.8 (1) comply with requirements for licensure or board certification as a mental health
275.9 professional, according to the qualifications under Minnesota Rules, part 9505.0371, subpart
275.10 5, item A, including supervised practice in the delivery of mental health services for the
275.11 treatment of mental illness; or

275.12 (2) be a student in a bona fide field placement or internship under a program leading to
275.13 completion of the requirements for licensure as a mental health professional according to
275.14 the qualifications under Minnesota Rules, part 9505.0371, subpart 5, item A.

275.15 (h) For purposes of this subdivision, "behavioral sciences or related fields" has the
275.16 meaning given in section 256B.0623, subdivision 5, paragraph (d).

275.17 (i) Notwithstanding the licensing requirements established by a health-related licensing
275.18 board, as defined in section 214.01, subdivision 2, this subdivision supersedes any other
275.19 statute or rule.

275.20 Sec. 2. Minnesota Statutes 2020, section 245.4876, is amended by adding a subdivision
275.21 to read:

275.22 Subd. 3a. **Individual treatment plans.** All providers of outpatient services, day treatment
275.23 services, professional home-based family treatment, residential treatment, and acute care
275.24 hospital inpatient treatment, and all regional treatment centers that provide mental health
275.25 services for children must develop an individual treatment plan for each child client. The
275.26 individual treatment plan must be based on a diagnostic assessment. To the extent appropriate,
275.27 the child and the child's family shall be involved in all phases of developing and
275.28 implementing the individual treatment plan. Providers of residential treatment, professional
275.29 home-based family treatment, and acute care hospital inpatient treatment, and regional
275.30 treatment centers must develop the individual treatment plan within ten working days of
275.31 client intake or admission and must review the individual treatment plan every 90 days after
275.32 intake. Providers of day treatment services must develop the individual treatment plan before
275.33 the completion of five working days in which service is provided or within 30 days after
275.34 the diagnostic assessment is completed or obtained, whichever occurs first. Providers of

276.1 outpatient services must develop the individual treatment plan within 30 days after the
276.2 diagnostic assessment is completed or obtained or by the end of the second session of an
276.3 outpatient service, not including the session in which the diagnostic assessment was provided,
276.4 whichever occurs first. Providers of outpatient and day treatment services must review the
276.5 individual treatment plan every 90 days after intake.

276.6 **EFFECTIVE DATE.** This section is effective September 30, 2021, and expires July
276.7 1, 2022.

276.8 Sec. 3. Minnesota Statutes 2020, section 245.4882, subdivision 1, is amended to read:

276.9 Subdivision 1. **Availability of residential treatment services.** County boards must
276.10 provide or contract for enough residential treatment services to meet the needs of each child
276.11 with severe emotional disturbance residing in the county and needing this level of care.
276.12 Length of stay is based on the child's residential treatment need and shall be ~~subject to the~~
276.13 ~~six-month review process established in section 260C.203, and for children in voluntary~~
276.14 ~~placement for treatment, the court review process in section 260D.06~~ reviewed every 90
276.15 days. Services must be appropriate to the child's age and treatment needs and must be made
276.16 available as close to the county as possible. Residential treatment must be designed to:

276.17 (1) help the child improve family living and social interaction skills;

276.18 (2) help the child gain the necessary skills to return to the community;

276.19 (3) stabilize crisis admissions; and

276.20 (4) work with families throughout the placement to improve the ability of the families
276.21 to care for children with severe emotional disturbance in the home.

276.22 **EFFECTIVE DATE.** This section is effective September 30, 2021.

276.23 Sec. 4. Minnesota Statutes 2020, section 245.4882, subdivision 3, is amended to read:

276.24 Subd. 3. **Transition to community.** Residential treatment facilities and regional treatment
276.25 centers serving children must plan for and assist those children and their families in making
276.26 a transition to less restrictive community-based services. Discharge planning for the child
276.27 to return to the community must include identification of and referrals to appropriate home
276.28 and community supports that meet the needs of the child and family. Discharge planning
276.29 must begin within 30 days after the child enters residential treatment and be updated every
276.30 60 days. Residential treatment facilities must also arrange for appropriate follow-up care
276.31 in the community. Before a child is discharged, the residential treatment facility or regional
276.32 treatment center shall provide notification to the child's case manager, if any, so that the

277.1 case manager can monitor and coordinate the transition and make timely arrangements for
277.2 the child's appropriate follow-up care in the community.

277.3 **EFFECTIVE DATE.** This section is effective September 30, 2021.

277.4 Sec. 5. Minnesota Statutes 2020, section 245.4885, subdivision 1, as amended by Laws
277.5 2021, chapter 30, article 10, section 1, is amended to read:

277.6 Subdivision 1. **Admission criteria.** (a) Prior to admission or placement, except in the
277.7 case of an emergency, all children referred for treatment of severe emotional disturbance
277.8 in a treatment foster care setting, residential treatment facility, or informally admitted to a
277.9 regional treatment center shall undergo an assessment to determine the appropriate level of
277.10 care if public county funds are used to pay for the child's services.

277.11 (b) The ~~responsible social services agency~~ county board shall determine the appropriate
277.12 level of care for a child when county-controlled funds are used to pay for the child's services
277.13 ~~or placement in a qualified residential treatment facility under chapter 260C and licensed~~
277.14 ~~by the commissioner under chapter 245A. In accordance with section 260C.157, a juvenile~~
277.15 ~~treatment screening team shall conduct a screening of a child before the team may recommend~~
277.16 ~~whether to place a child~~ residential treatment under this chapter, including residential
277.17 treatment provided in a qualified residential treatment program as defined in section
277.18 260C.007, subdivision 26d. When a ~~social services agency~~ county board does not have
277.19 responsibility for a child's placement and the child is enrolled in a prepaid health program
277.20 under section 256B.69, the enrolled child's contracted health plan must determine the
277.21 appropriate level of care for the child. When Indian Health Services funds or funds of a
277.22 tribally owned facility funded under the Indian Self-Determination and Education Assistance
277.23 Act, Public Law 93-638, are ~~to be~~ used for a the child, the Indian Health Services or 638
277.24 tribal health facility must determine the appropriate level of care for the child. When more
277.25 than one entity bears responsibility for a child's coverage, the entities shall coordinate level
277.26 of care determination activities for the child to the extent possible.

277.27 (c) The ~~responsible social services agency must make the child's level of care~~
277.28 ~~determination available to the child's juvenile treatment screening team, as permitted under~~
277.29 ~~chapter 13. The level of care determination shall inform the juvenile treatment screening~~
277.30 ~~team process and the assessment in section 260C.704 when considering whether to place~~
277.31 ~~the child in a qualified residential treatment program. When the responsible social services~~
277.32 ~~agency is not involved in determining a child's placement, the child's level of care~~
277.33 determination shall determine whether the proposed treatment:

277.34 (1) is necessary;

278.1 (2) is appropriate to the child's individual treatment needs;

278.2 (3) cannot be effectively provided in the child's home; and

278.3 (4) provides a length of stay as short as possible consistent with the individual child's
278.4 needs.

278.5 (d) When a level of care determination is conducted, the ~~responsible social services~~
278.6 ~~agency~~ county board or other entity may not determine that a screening of a child ~~under~~
278.7 ~~section 260C.157 or~~₂ referral₂ or admission to a ~~treatment foster care setting or~~ residential
278.8 treatment facility is not appropriate solely because services were not first provided to the
278.9 child in a less restrictive setting and the child failed to make progress toward or meet
278.10 treatment goals in the less restrictive setting. The level of care determination must be based
278.11 on a diagnostic assessment of a child that ~~includes a functional assessment which~~ evaluates
278.12 the child's family, school, and community living situations; and an assessment of the child's
278.13 need for care out of the home using a validated tool which assesses a child's functional status
278.14 and assigns an appropriate level of care to the child. The validated tool must be approved
278.15 by the commissioner of human services and may be the validated tool approved for the
278.16 child's assessment under section 260C.704 if the juvenile treatment screening team
278.17 recommended placement of the child in a qualified residential treatment program. If a
278.18 diagnostic assessment ~~including a functional assessment~~ has been completed by a mental
278.19 health professional within the past 180 days, a new diagnostic assessment need not be
278.20 completed unless in the opinion of the current treating mental health professional the child's
278.21 mental health status has changed markedly since the assessment was completed. The child's
278.22 parent shall be notified if an assessment will not be completed and of the reasons. A copy
278.23 of the notice shall be placed in the child's file. Recommendations developed as part of the
278.24 level of care determination process shall include specific community services needed by
278.25 the child and, if appropriate, the child's family, and shall indicate whether these services
278.26 are available and accessible to the child and the child's family. The child and the child's
278.27 family must be invited to any meeting where the level of care determination is discussed
278.28 and decisions regarding residential treatment are made. The child and the child's family
278.29 may invite other relatives, friends, or advocates to attend these meetings.

278.30 (e) During the level of care determination process, the child, child's family, or child's
278.31 legal representative, as appropriate, must be informed of the child's eligibility for case
278.32 management services and family community support services and that an individual family
278.33 community support plan is being developed by the case manager, if assigned.

279.1 ~~(f) When the responsible social services agency has authority, the agency must engage~~
279.2 ~~the child's parents in case planning under sections 260C.212 and 260C.708 and chapter~~
279.3 ~~260D unless a court terminates the parent's rights or court orders restrict the parent from~~
279.4 ~~participating in case planning, visitation, or parental responsibilities.~~

279.5 ~~(g)~~ (f) The level of care determination, placement decision, and recommendations for
279.6 mental health services must be documented in the child's record, ~~as required in chapters~~
279.7 ~~260C and 260D~~ and made available to the child's family, as appropriate.

279.8 **EFFECTIVE DATE.** This section is effective September 30, 2021.

279.9 Sec. 6. Minnesota Statutes 2020, section 245.4889, subdivision 1, is amended to read:

279.10 Subdivision 1. **Establishment and authority.** (a) The commissioner is authorized to
279.11 make grants from available appropriations to assist:

279.12 (1) counties;

279.13 (2) Indian tribes;

279.14 (3) children's collaboratives under section 124D.23 or 245.493; or

279.15 (4) mental health service providers.

279.16 (b) The following services are eligible for grants under this section:

279.17 (1) services to children with emotional disturbances as defined in section 245.4871,
279.18 subdivision 15, and their families;

279.19 (2) transition services under section 245.4875, subdivision 8, for young adults under
279.20 age 21 and their families;

279.21 (3) respite care services for children with emotional disturbances or severe emotional
279.22 disturbances who are at risk of out-of-home placement. A child is not required to have case
279.23 management services to receive respite care services;

279.24 (4) children's mental health crisis services;

279.25 (5) mental health services for people from cultural and ethnic minorities, including
279.26 supervision of clinical trainees who are Black, indigenous, or people of color;

279.27 (6) children's mental health screening and follow-up diagnostic assessment and treatment;

279.28 (7) services to promote and develop the capacity of providers to use evidence-based
279.29 practices in providing children's mental health services;

279.30 (8) school-linked mental health services under section 245.4901;

280.1 (9) building evidence-based mental health intervention capacity for children birth to age
280.2 five;

280.3 (10) suicide prevention and counseling services that use text messaging statewide;

280.4 (11) mental health first aid training;

280.5 (12) training for parents, collaborative partners, and mental health providers on the
280.6 impact of adverse childhood experiences and trauma and development of an interactive
280.7 website to share information and strategies to promote resilience and prevent trauma;

280.8 (13) transition age services to develop or expand mental health treatment and supports
280.9 for adolescents and young adults 26 years of age or younger;

280.10 (14) early childhood mental health consultation;

280.11 (15) evidence-based interventions for youth at risk of developing or experiencing a first
280.12 episode of psychosis, and a public awareness campaign on the signs and symptoms of
280.13 psychosis;

280.14 (16) psychiatric consultation for primary care practitioners; and

280.15 (17) providers to begin operations and meet program requirements when establishing a
280.16 new children's mental health program. These may be start-up grants.

280.17 (c) Services under paragraph (b) must be designed to help each child to function and
280.18 remain with the child's family in the community and delivered consistent with the child's
280.19 treatment plan. Transition services to eligible young adults under this paragraph must be
280.20 designed to foster independent living in the community.

280.21 (d) As a condition of receiving grant funds, a grantee shall obtain all available third-party
280.22 reimbursement sources, if applicable.

280.23 Sec. 7. Minnesota Statutes 2020, section 245.4901, as amended by Laws 2021, chapter
280.24 30, article 17, section 44, is amended to read:

280.25 **245.4901 SCHOOL-LINKED ~~MENTAL~~ BEHAVIORAL HEALTH GRANTS.**

280.26 Subdivision 1. **Establishment.** The commissioner of human services shall establish a
280.27 school-linked ~~mental~~ behavioral health grant program to provide early identification and
280.28 intervention for students with mental health and substance use disorder needs and to build
280.29 the capacity of schools to support students with mental health and substance use disorder
280.30 needs in the classroom.

281.1 Subd. 2. **Eligible applicants.** An eligible applicant for a school-linked ~~mental~~ behavioral
281.2 health grants grant is an entity or provider that is:

281.3 (1) a mental health clinic certified under section 245I.20;

281.4 (2) a community mental health center under section 256B.0625, subdivision 5;

281.5 (3) an Indian health service facility or a facility owned and operated by a tribe or tribal
281.6 organization operating under United States Code, title 25, section 5321;

281.7 (4) a provider of children's therapeutic services and supports as defined in section
281.8 256B.0943; ~~or~~

281.9 (5) enrolled in medical assistance as a mental health or substance use disorder provider
281.10 agency and employs at least two full-time equivalent mental health professionals qualified
281.11 according to section 245I.04, subdivision 2, or two alcohol and drug counselors licensed or
281.12 exempt from licensure under chapter 148F who are qualified to provide clinical services to
281.13 children and families;

281.14 (6) licensed under chapter 245G and in compliance with the applicable requirements in
281.15 chapters 245A, 245C, and 260E, section 626.557, and Minnesota Rules, chapter 9544; or

281.16 (7) a licensed professional in private practice as defined in section 245G.01, subdivision
281.17 17, who meets the requirements of section 254B.05, subdivision 1, paragraph (b).

281.18 Subd. 3. **Allowable grant activities and related expenses.** (a) Allowable grant activities
281.19 and related expenses may include but are not limited to:

281.20 (1) identifying and diagnosing mental health conditions and substance use disorders of
281.21 students;

281.22 (2) delivering mental health and substance use disorder treatment and services to students
281.23 and their families, including via telemedicine consistent with section 256B.0625, subdivision
281.24 3b;

281.25 (3) supporting families in meeting their child's needs, including navigating health care,
281.26 social service, and juvenile justice systems;

281.27 (4) providing transportation for students receiving school-linked mental behavioral health
281.28 services when school is not in session;

281.29 (5) building the capacity of schools to meet the needs of students with mental health and
281.30 substance use disorder concerns, including school staff development activities for licensed
281.31 and nonlicensed staff; and

282.1 (6) purchasing equipment, connection charges, on-site coordination, set-up fees, and
282.2 site fees in order to deliver school-linked ~~mental~~ behavioral health services via telemedicine.

282.3 (b) Grantees shall obtain all available third-party reimbursement sources as a condition
282.4 of receiving a grant. For purposes of this grant program, a third-party reimbursement source
282.5 excludes a public school as defined in section 120A.20, subdivision 1. Grantees shall serve
282.6 students regardless of health coverage status or ability to pay.

282.7 Subd. 4. **Data collection and outcome measurement.** Grantees shall provide data to
282.8 the commissioner for the purpose of evaluating the effectiveness of the school-linked ~~mental~~
282.9 behavioral health grant program.

282.10 Sec. 8. **[245.4902] CULTURALLY INFORMED AND CULTURALLY RESPONSIVE**
282.11 **MENTAL HEALTH TASK FORCE.**

282.12 Subdivision 1. Establishment; duties. The Culturally Informed and Culturally
282.13 Responsive Mental Health Task Force is established to evaluate and make recommendations
282.14 on improving the provision of culturally informed and culturally responsive mental health
282.15 services throughout Minnesota. The task force must make recommendations on:

282.16 (1) recruiting mental health providers from diverse racial and ethnic communities;

282.17 (2) training all mental health providers on cultural competency and cultural humility;

282.18 (3) assessing the extent to which mental health provider organizations embrace diversity
282.19 and demonstrate proficiency in culturally competent mental health treatment and services;

282.20 and

282.21 (4) increasing the number of mental health organizations owned, managed, or led by
282.22 individuals who are Black, indigenous, or people of color.

282.23 Subd. 2. Membership. (a) The task force must consist of the following 16 members:

282.24 (1) the commissioner of human services or the commissioner's designee;

282.25 (2) one representative from the Board of Psychology;

282.26 (3) one representative from the Board of Marriage and Family Therapy;

282.27 (4) one representative from the Board of Behavioral Health and Therapy;

282.28 (5) one representative from the Board of Social Work;

282.29 (6) three members representing undergraduate and graduate-level mental health
282.30 professional education programs, one appointed by the governor, one appointed by the
282.31 speaker of the house of representatives, and one appointed by the senate majority leader;

283.1 (7) three mental health providers who are members of communities of color or
283.2 underrepresented communities, as defined in section 148E.010, subdivision 20, one appointed
283.3 by the governor, one appointed by the speaker of the house of representatives, and one
283.4 appointed by the senate majority leader;

283.5 (8) two members representing mental health advocacy organizations, appointed by the
283.6 governor;

283.7 (9) two mental health providers, appointed by the governor; and

283.8 (10) one expert in providing training and education in cultural competency and cultural
283.9 responsiveness, appointed by the governor.

283.10 (b) Appointments to the task force must be made no later than June 1, 2022.

283.11 (c) Member compensation and reimbursement for expenses are governed by section
283.12 15.059, subdivision 3.

283.13 Subd. 3. **Chairs; meetings.** The members of the task force must elect two cochairs of
283.14 the task force no earlier than July 1, 2022, and the cochairs must convene the first meeting
283.15 of the task force no later than August 15, 2022. The task force must meet upon the call of
283.16 the cochairs, sufficiently often to accomplish the duties identified in this section. The task
283.17 force is subject to the open meeting law under chapter 13D.

283.18 Subd. 4. **Administrative support.** The Department of Human Services must provide
283.19 administrative support and meeting space for the task force.

283.20 Subd. 5. **Reports.** No later than January 1, 2023, and by January 1 of each year thereafter,
283.21 the task force must submit a written report to the members of the legislative committees
283.22 with jurisdiction over health and human services on the recommendations developed under
283.23 subdivision 1.

283.24 Subd. 6. **Expiration.** The task force expires on January 1, 2025.

283.25 Sec. 9. Minnesota Statutes 2020, section 254B.01, subdivision 4a, is amended to read:

283.26 Subd. 4a. **Culturally specific or culturally responsive program.** (a) "Culturally specific
283.27 or culturally responsive program" means a substance use disorder treatment service program
283.28 or subprogram that is ~~recovery-focused and~~ culturally responsive or culturally specific when
283.29 the program attests that it:

283.30 (1) improves service quality to and outcomes of a specific population community that
283.31 shares a common language, racial, ethnic, or social background by advancing health equity
283.32 to help eliminate health disparities; ~~and~~

284.1 (2) ensures effective, equitable, comprehensive, and respectful quality care services that
284.2 are responsive to an individual within a specific ~~population's~~ community's values, beliefs
284.3 and practices, health literacy, preferred language, and other communication needs; and

284.4 (3) is compliant with the national standards for culturally and linguistically appropriate
284.5 services or other equivalent standards, as determined by the commissioner.

284.6 (b) A tribally licensed substance use disorder program that is designated as serving a
284.7 culturally specific population by the applicable tribal government is deemed to satisfy this
284.8 subdivision.

284.9 (c) A program satisfies the requirements of this subdivision if it attests that the program:

284.10 (1) is designed to address the unique needs of individuals who share a common language,
284.11 racial, ethnic, or social background;

284.12 (2) is governed with significant input from individuals of that specific background; and

284.13 (3) employs individuals to provide treatment services, at least 50 percent of whom are
284.14 members of the specific community being served.

284.15 **EFFECTIVE DATE.** This section is effective January 1, 2022, or upon federal approval,
284.16 whichever is later. The commissioner shall notify the revisor of statutes when federal
284.17 approval is obtained.

284.18 Sec. 10. Minnesota Statutes 2020, section 254B.01, is amended by adding a subdivision
284.19 to read:

284.20 **Subd. 4b. Disability responsive program.** "Disability responsive program" means a
284.21 program that:

284.22 (1) is designed to serve individuals with disabilities, including individuals with traumatic
284.23 brain injuries, developmental disabilities, cognitive disabilities, and physical disabilities;
284.24 and

284.25 (2) employs individuals to provide treatment services who have the necessary professional
284.26 training, as approved by the commissioner, to serve individuals with the specific disabilities
284.27 that the program is designed to serve.

284.28 **EFFECTIVE DATE.** This section is effective January 1, 2022, or upon federal approval,
284.29 whichever is later. The commissioner shall notify the revisor of statutes when federal
284.30 approval is obtained.

285.1 Sec. 11. Minnesota Statutes 2020, section 254B.05, subdivision 5, is amended to read:

285.2 Subd. 5. **Rate requirements.** (a) The commissioner shall establish rates for substance
285.3 use disorder services and service enhancements funded under this chapter.

285.4 (b) Eligible substance use disorder treatment services include:

285.5 (1) outpatient treatment services that are licensed according to sections 245G.01 to
285.6 245G.17, or applicable tribal license;

285.7 (2) comprehensive assessments provided according to sections 245.4863, paragraph (a),
285.8 and 245G.05;

285.9 (3) care coordination services provided according to section 245G.07, subdivision 1,
285.10 paragraph (a), clause (5);

285.11 (4) peer recovery support services provided according to section 245G.07, subdivision
285.12 2, clause (8);

285.13 (5) on July 1, 2019, or upon federal approval, whichever is later, withdrawal management
285.14 services provided according to chapter 245F;

285.15 (6) medication-assisted therapy services that are licensed according to sections 245G.01
285.16 to 245G.17 and 245G.22, or applicable tribal license;

285.17 (7) medication-assisted therapy plus enhanced treatment services that meet the
285.18 requirements of clause (6) and provide nine hours of clinical services each week;

285.19 (8) high, medium, and low intensity residential treatment services that are licensed
285.20 according to sections 245G.01 to 245G.17 and 245G.21 or applicable tribal license which
285.21 provide, respectively, 30, 15, and five hours of clinical services each week;

285.22 (9) hospital-based treatment services that are licensed according to sections 245G.01 to
285.23 245G.17 or applicable tribal license and licensed as a hospital under sections 144.50 to
285.24 144.56;

285.25 (10) adolescent treatment programs that are licensed as outpatient treatment programs
285.26 according to sections 245G.01 to 245G.18 or as residential treatment programs according
285.27 to Minnesota Rules, parts 2960.0010 to 2960.0220, and 2960.0430 to 2960.0490, or
285.28 applicable tribal license;

285.29 (11) high-intensity residential treatment services that are licensed according to sections
285.30 245G.01 to 245G.17 and 245G.21 or applicable tribal license, which provide 30 hours of
285.31 clinical services each week provided by a state-operated vendor or to clients who have been

286.1 civilly committed to the commissioner, present the most complex and difficult care needs,
286.2 and are a potential threat to the community; and

286.3 (12) room and board facilities that meet the requirements of subdivision 1a.

286.4 (c) The commissioner shall establish higher rates for programs that meet the requirements
286.5 of paragraph (b) and one of the following additional requirements:

286.6 (1) programs that serve parents with their children if the program:

286.7 (i) provides on-site child care during the hours of treatment activity that:

286.8 (A) is licensed under chapter 245A as a child care center under Minnesota Rules, chapter
286.9 9503; or

286.10 (B) meets the licensure exclusion criteria of section 245A.03, subdivision 2, paragraph
286.11 (a), clause (6), and meets the requirements under section 245G.19, subdivision 4; or

286.12 (ii) arranges for off-site child care during hours of treatment activity at a facility that is
286.13 licensed under chapter 245A as:

286.14 (A) a child care center under Minnesota Rules, chapter 9503; or

286.15 (B) a family child care home under Minnesota Rules, chapter 9502;

286.16 (2) culturally specific or culturally responsive programs as defined in section 254B.01,
286.17 subdivision 4a, ~~or;~~

286.18 (3) disability responsive programs as defined in section 254B.01, subdivision 4b;

286.19 ~~programs or subprograms serving special populations, if the program or subprogram~~
286.20 ~~meets the following requirements:~~

286.21 ~~(i) is designed to address the unique needs of individuals who share a common language,~~
286.22 ~~racial, ethnic, or social background;~~

286.23 ~~(ii) is governed with significant input from individuals of that specific background; and~~

286.24 ~~(iii) employs individuals to provide individual or group therapy, at least 50 percent of~~
286.25 ~~whom are of that specific background, except when the common social background of the~~
286.26 ~~individuals served is a traumatic brain injury or cognitive disability and the program employs~~
286.27 ~~treatment staff who have the necessary professional training, as approved by the~~
286.28 ~~commissioner, to serve clients with the specific disabilities that the program is designed to~~
286.29 ~~serve;~~

286.30 ~~(3)~~ (4) programs that offer medical services delivered by appropriately credentialed
286.31 health care staff in an amount equal to two hours per client per week if the medical needs

287.1 of the client and the nature and provision of any medical services provided are documented
287.2 in the client file; ~~and~~ or

287.3 ~~(4)~~ (5) programs that offer services to individuals with co-occurring mental health and
287.4 chemical dependency problems if:

287.5 (i) the program meets the co-occurring requirements in section 245G.20;

287.6 (ii) 25 percent of the counseling staff are licensed mental health professionals, as defined
287.7 in section 245.462, subdivision 18, clauses (1) to (6), or are students or licensing candidates
287.8 under the supervision of a licensed alcohol and drug counselor supervisor and licensed
287.9 mental health professional, except that no more than 50 percent of the mental health staff
287.10 may be students or licensing candidates with time documented to be directly related to
287.11 provisions of co-occurring services;

287.12 (iii) clients scoring positive on a standardized mental health screen receive a mental
287.13 health diagnostic assessment within ten days of admission;

287.14 (iv) the program has standards for multidisciplinary case review that include a monthly
287.15 review for each client that, at a minimum, includes a licensed mental health professional
287.16 and licensed alcohol and drug counselor, and their involvement in the review is documented;

287.17 (v) family education is offered that addresses mental health and substance abuse disorders
287.18 and the interaction between the two; and

287.19 (vi) co-occurring counseling staff shall receive eight hours of co-occurring disorder
287.20 training annually.

287.21 (d) In order to be eligible for a higher rate under paragraph (c), clause (1), a program
287.22 that provides arrangements for off-site child care must maintain current documentation at
287.23 the chemical dependency facility of the child care provider's current licensure to provide
287.24 child care services. Programs that provide child care according to paragraph (c), clause (1),
287.25 must be deemed in compliance with the licensing requirements in section 245G.19.

287.26 (e) Adolescent residential programs that meet the requirements of Minnesota Rules,
287.27 parts 2960.0430 to 2960.0490 and 2960.0580 to 2960.0690, are exempt from the requirements
287.28 in paragraph (c), clause (4), items (i) to (iv).

287.29 (f) Subject to federal approval, ~~chemical dependency~~ substance use disorder services
287.30 that are otherwise covered as direct face-to-face services may be provided via two-way
287.31 interactive video. The use of two-way interactive video must be medically appropriate to
287.32 the condition and needs of the person being served. Reimbursement shall be at the same
287.33 rates and under the same conditions that would otherwise apply to direct face-to-face services.

288.1 The interactive video equipment and connection must comply with Medicare standards in
288.2 effect at the time the service is provided.

288.3 (g) For the purpose of reimbursement under this section, substance use disorder treatment
288.4 services provided in a group setting without a group participant maximum or maximum
288.5 client to staff ratio under chapter 245G shall not exceed a client to staff ratio of 48 to one.
288.6 At least one of the attending staff must meet the qualifications as established under this
288.7 chapter for the type of treatment service provided. A recovery peer may not be included as
288.8 part of the staff ratio.

288.9 (h) Payment for outpatient substance use disorder services that are licensed according
288.10 to sections 245G.01 to 245G.17 is limited to six hours per day or 30 hours per week unless
288.11 prior authorization of a greater number of hours is obtained from the commissioner.

288.12 **EFFECTIVE DATE.** This section is effective January 1, 2022, or upon federal approval,
288.13 whichever is later.

288.14 Sec. 12. Minnesota Statutes 2020, section 254B.12, is amended by adding a subdivision
288.15 to read:

288.16 **Subd. 4. Culturally specific or culturally responsive program and disability**
288.17 **responsive program provider rate increase.** For the chemical dependency services listed
288.18 in section 254B.05, subdivision 5, provided by programs that meet the requirements of
288.19 section 254B.05, subdivision 5, paragraph (c), clauses (1), (2), and (3), on or after January
288.20 1, 2022, payment rates shall increase by five percent over the rates in effect on January 1,
288.21 2021. The commissioner shall increase prepaid medical assistance capitation rates as
288.22 appropriate to reflect this increase.

288.23 **EFFECTIVE DATE.** This section is effective January 1, 2022, or upon federal approval,
288.24 whichever is later. The commissioner shall notify the revisor of statutes when federal
288.25 approval is obtained.

288.26 Sec. 13. **[254B.151] SUBSTANCE USE DISORDER COMMUNITY OF PRACTICE.**

288.27 **Subdivision 1. Establishment; purpose.** The commissioner of human services, in
288.28 consultation with substance use disorder subject matter experts, shall establish a substance
288.29 use disorder community of practice. The purposes of the community of practice are to
288.30 improve treatment outcomes for individuals with substance use disorders and reduce
288.31 disparities by using evidence-based and best practices through peer-to-peer and
288.32 person-to-provider sharing.

289.1 Subd. 2. **Participants; meetings.** (a) The community of practice must include the
289.2 following participants:

289.3 (1) researchers or members of the academic community who are substance use disorder
289.4 subject matter experts, who do not have financial relationships with treatment providers;

289.5 (2) substance use disorder treatment providers;

289.6 (3) representatives from recovery community organizations;

289.7 (4) a representative from the Department of Human Services;

289.8 (5) a representative from the Department of Health;

289.9 (6) a representative from the Department of Corrections;

289.10 (7) representatives from county social services agencies;

289.11 (8) representatives from tribal nations or tribal social services providers; and

289.12 (9) representatives from managed care organizations.

289.13 (b) The community of practice must include individuals who have used substance use
289.14 disorder treatment services and must highlight the voices and experiences of individuals
289.15 who are Black, indigenous, people of color, and people from other communities that are
289.16 disproportionately impacted by substance use disorders.

289.17 (c) The community of practice must meet regularly and must hold its first meeting before
289.18 January 1, 2022.

289.19 (d) Compensation and reimbursement for expenses for participants in paragraph (b) are
289.20 governed by section 15.059, subdivision 3.

289.21 Subd. 3. **Duties.** (a) The community of practice must:

289.22 (1) identify gaps in substance use disorder treatment services;

289.23 (2) enhance collective knowledge of issues related to substance use disorder;

289.24 (3) understand evidence-based practices, best practices, and promising approaches to
289.25 address substance use disorder;

289.26 (4) use knowledge gathered through the community of practice to develop strategic plans
289.27 to improve outcomes for individuals who participate in substance use disorder treatment
289.28 and related services in Minnesota;

289.29 (5) increase knowledge about the challenges and opportunities learned by implementing
289.30 strategies; and

290.1 (6) develop capacity for community advocacy.

290.2 (b) The commissioner, in collaboration with subject matter experts and other participants,
290.3 may issue reports and recommendations to the legislative chairs and ranking minority
290.4 members of committees with jurisdiction over health and human services policy and finance
290.5 and local and regional governments.

290.6 Sec. 14. Minnesota Statutes 2020, section 256.042, subdivision 4, is amended to read:

290.7 Subd. 4. **Grants.** (a) The commissioner of human services shall submit a report of the
290.8 grants proposed by the advisory council to be awarded for the upcoming ~~fiscal~~ calendar
290.9 year to the chairs and ranking minority members of the legislative committees with
290.10 jurisdiction over health and human services policy and finance, by ~~March~~ December 1 of
290.11 each year, beginning March 1, 2020.

290.12 (b) ~~The commissioner of human services shall award grants from the opiate epidemic~~
290.13 ~~response fund under section 256.043.~~ The grants shall be awarded to proposals selected by
290.14 the advisory council that address the priorities in subdivision 1, paragraph (a), clauses (1)
290.15 to (4), unless otherwise appropriated by the legislature. The advisory council shall determine
290.16 grant awards and funding amounts based on the funds appropriated to the commissioner
290.17 under section 256.043, subdivision 3, paragraph (e). The commissioner shall award the
290.18 grants from the opiate epidemic response fund and administer the grants in compliance with
290.19 section 16B.97. No more than ~~three~~ ten percent of the grant amount may be used by a grantee
290.20 for administration.

290.21 Sec. 15. Minnesota Statutes 2020, section 256.043, subdivision 3, is amended to read:

290.22 Subd. 3. **Appropriations from fund.** (a) After the appropriations in Laws 2019, chapter
290.23 63, article 3, section 1, ~~paragraphs~~ paragraph (e), ~~(f), (g), and (h)~~ are made, \$249,000 is
290.24 appropriated to the commissioner of human services for the provision of administrative
290.25 services to the Opiate Epidemic Response Advisory Council and for the administration of
290.26 the grants awarded under paragraph (e).

290.27 (b) \$126,000 is appropriated to the Board of Pharmacy for the collection of the registration
290.28 fees under section 151.066.

290.29 (c) \$672,000 is appropriated to the commissioner of public safety for the Bureau of
290.30 Criminal Apprehension. Of this amount, \$384,000 is for drug scientists and lab supplies
290.31 and \$288,000 is for special agent positions focused on drug interdiction and drug trafficking.

291.1 (d) After the appropriations in paragraphs (a) to (c) are made, 50 percent of the remaining
291.2 amount is appropriated to the commissioner of human services for distribution to county
291.3 social service and tribal social service agencies to provide child protection services to
291.4 children and families who are affected by addiction. The commissioner shall distribute this
291.5 money proportionally to counties and tribal social service agencies based on out-of-home
291.6 placement episodes where parental drug abuse is the primary reason for the out-of-home
291.7 placement using data from the previous calendar year. County and tribal social service
291.8 agencies receiving funds from the opiate epidemic response fund must annually report to
291.9 the commissioner on how the funds were used to provide child protection services, including
291.10 measurable outcomes, as determined by the commissioner. County social service agencies
291.11 and tribal social service agencies must not use funds received under this paragraph to supplant
291.12 current state or local funding received for child protection services for children and families
291.13 who are affected by addiction.

291.14 (e) After making the appropriations in paragraphs (a) to (d), the remaining amount in
291.15 the fund is appropriated to the commissioner to award grants as specified by the Opiate
291.16 Epidemic Response Advisory Council in accordance with section 256.042, unless otherwise
291.17 appropriated by the legislature.

291.18 (f) Beginning in fiscal year 2022 and each year thereafter, funds for county social service
291.19 and tribal social service agencies under paragraph (d) and grant funds specified by the Opiate
291.20 Epidemic Response Advisory Council under paragraph (e) shall be distributed on a calendar
291.21 year basis.

291.22 **EFFECTIVE DATE.** The amendment to paragraph (a) is effective July 1, 2024.

291.23 Sec. 16. Minnesota Statutes 2020, section 256B.0624, subdivision 7, as amended by Laws
291.24 2021, chapter 30, article 16, section 4, is amended to read:

291.25 Subd. 7. **Crisis stabilization services.** (a) Crisis stabilization services must be provided
291.26 by qualified staff of a crisis stabilization services provider entity and must meet the following
291.27 standards:

291.28 (1) a crisis treatment plan must be developed that meets the criteria in subdivision 11;

291.29 (2) staff must be qualified as defined in subdivision 8;

291.30 (3) crisis stabilization services must be delivered according to the crisis treatment plan
291.31 and include face-to-face contact with the recipient by qualified staff for further assessment,
291.32 help with referrals, updating of the crisis treatment plan, skills training, and collaboration
291.33 with other service providers in the community; and

292.1 (4) if a provider delivers crisis stabilization services while the recipient is absent, the
292.2 provider must document the reason for delivering services while the recipient is absent.

292.3 (b) If crisis stabilization services are provided in a supervised, licensed residential setting
292.4 that serves no more than four adult residents, and one or more individuals are present at the
292.5 setting to receive residential crisis stabilization, the residential staff must include, for at
292.6 least eight hours per day, at least one mental health professional, clinical trainee, certified
292.7 rehabilitation specialist, or mental health practitioner. The commissioner shall establish a
292.8 statewide per diem rate for crisis stabilization services provided under this paragraph to
292.9 medical assistance enrollees. The rate for a provider shall not exceed the rate charged by
292.10 that provider for the same service to other payers. Payment shall not be made to more than
292.11 one entity for each individual for services provided under this paragraph on a given day.
292.12 The commissioner shall set rates prospectively for the annual rate period. The commissioner
292.13 shall require providers to submit annual cost reports on a uniform cost reporting form and
292.14 shall use submitted cost reports to inform the rate-setting process. The commissioner shall
292.15 recalculate the statewide per diem every year.

292.16 **EFFECTIVE DATE.** This section is effective January 1, 2022, or upon federal approval,
292.17 whichever is later. The commissioner of human services shall notify the revisor of statutes
292.18 when federal approval is obtained.

292.19 Sec. 17. Minnesota Statutes 2020, section 256B.0625, subdivision 20, is amended to read:

292.20 Subd. 20. **Mental health case management.** (a) To the extent authorized by rule of the
292.21 state agency, medical assistance covers case management services to persons with serious
292.22 and persistent mental illness and children with severe emotional disturbance. Services
292.23 provided under this section must meet the relevant standards in sections 245.461 to 245.4887,
292.24 the Comprehensive Adult and Children's Mental Health Acts, Minnesota Rules, parts
292.25 9520.0900 to 9520.0926, and 9505.0322, excluding subpart 10.

292.26 (b) Entities meeting program standards set out in rules governing family community
292.27 support services as defined in section 245.4871, subdivision 17, are eligible for medical
292.28 assistance reimbursement for case management services for children with severe emotional
292.29 disturbance when these services meet the program standards in Minnesota Rules, parts
292.30 9520.0900 to 9520.0926 and 9505.0322, excluding subparts 6 and 10.

292.31 (c) Medical assistance and MinnesotaCare payment for mental health case management
292.32 shall be made on a monthly basis. In order to receive payment for an eligible child, the
292.33 provider must document at least a face-to-face contact with the child, the child's parents, or

293.1 the child's legal representative. To receive payment for an eligible adult, the provider must
293.2 document:

293.3 (1) at least a face-to-face contact with the adult or the adult's legal representative or a
293.4 contact by interactive video that meets the requirements of subdivision 20b; or

293.5 (2) at least a telephone contact with the adult or the adult's legal representative and
293.6 document a face-to-face contact or a contact by interactive video that meets the requirements
293.7 of subdivision 20b with the adult or the adult's legal representative within the preceding
293.8 two months.

293.9 (d) Payment for mental health case management provided by county or state staff shall
293.10 be based on the monthly rate methodology under section 256B.094, subdivision 6, paragraph
293.11 (b), with separate rates calculated for child welfare and mental health, and within mental
293.12 health, separate rates for children and adults.

293.13 (e) Payment for mental health case management provided by Indian health services or
293.14 by agencies operated by Indian tribes may be made according to this section or other relevant
293.15 federally approved rate setting methodology.

293.16 (f) Payment for mental health case management provided by vendors who contract with
293.17 a county ~~or Indian tribe shall be based on a monthly rate negotiated by the host county or~~
293.18 ~~tribe~~ must be calculated in accordance with section 256B.076, subdivision 2. Payment for
293.19 mental health case management provided by vendors who contract with a Tribe must be
293.20 based on a monthly rate negotiated by the Tribe. The ~~negotiated~~ rate must not exceed the
293.21 rate charged by the vendor for the same service to other payers. If the service is provided
293.22 by a team of contracted vendors, the ~~county or tribe may negotiate a team rate with a vendor~~
293.23 ~~who is a member of the team.~~ The team shall determine how to distribute the rate among
293.24 its members. No reimbursement received by contracted vendors shall be returned to the
293.25 county or tribe, except to reimburse the county or tribe for advance funding provided by
293.26 the county or tribe to the vendor.

293.27 (g) If the service is provided by a team which includes contracted vendors, tribal staff,
293.28 and county or state staff, the costs for county or state staff participation in the team shall be
293.29 included in the rate for county-provided services. In this case, the contracted vendor, the
293.30 tribal agency, and the county may each receive separate payment for services provided by
293.31 each entity in the same month. In order to prevent duplication of services, each entity must
293.32 document, in the recipient's file, the need for team case management and a description of
293.33 the roles of the team members.

294.1 (h) Notwithstanding section 256B.19, subdivision 1, the nonfederal share of costs for
294.2 mental health case management shall be provided by the recipient's county of responsibility,
294.3 as defined in sections 256G.01 to 256G.12, from sources other than federal funds or funds
294.4 used to match other federal funds. If the service is provided by a tribal agency, the nonfederal
294.5 share, if any, shall be provided by the recipient's tribe. When this service is paid by the state
294.6 without a federal share through fee-for-service, 50 percent of the cost shall be provided by
294.7 the recipient's county of responsibility.

294.8 (i) Notwithstanding any administrative rule to the contrary, prepaid medical assistance
294.9 and MinnesotaCare include mental health case management. When the service is provided
294.10 through prepaid capitation, the nonfederal share is paid by the state and the county pays no
294.11 share.

294.12 (j) The commissioner may suspend, reduce, or terminate the reimbursement to a provider
294.13 that does not meet the reporting or other requirements of this section. The county of
294.14 responsibility, as defined in sections 256G.01 to 256G.12, or, if applicable, the tribal agency,
294.15 is responsible for any federal disallowances. The county or tribe may share this responsibility
294.16 with its contracted vendors.

294.17 (k) The commissioner shall set aside a portion of the federal funds earned for county
294.18 expenditures under this section to repay the special revenue maximization account under
294.19 section 256.01, subdivision 2, paragraph (o). The repayment is limited to:

294.20 (1) the costs of developing and implementing this section; and

294.21 (2) programming the information systems.

294.22 (l) Payments to counties and tribal agencies for case management expenditures under
294.23 this section shall only be made from federal earnings from services provided under this
294.24 section. When this service is paid by the state without a federal share through fee-for-service,
294.25 50 percent of the cost shall be provided by the state. Payments to county-contracted vendors
294.26 shall include the federal earnings, the state share, and the county share.

294.27 (m) Case management services under this subdivision do not include therapy, treatment,
294.28 legal, or outreach services.

294.29 (n) If the recipient is a resident of a nursing facility, intermediate care facility, or hospital,
294.30 and the recipient's institutional care is paid by medical assistance, payment for case
294.31 management services under this subdivision is limited to the lesser of:

294.32 (1) the last 180 days of the recipient's residency in that facility and may not exceed more
294.33 than six months in a calendar year; or

295.1 (2) the limits and conditions which apply to federal Medicaid funding for this service.

295.2 (o) Payment for case management services under this subdivision shall not duplicate
295.3 payments made under other program authorities for the same purpose.

295.4 (p) If the recipient is receiving care in a hospital, nursing facility, or residential setting
295.5 licensed under chapter 245A or 245D that is staffed 24 hours a day, seven days a week,
295.6 mental health targeted case management services must actively support identification of
295.7 community alternatives for the recipient and discharge planning.

295.8 Sec. 18. Minnesota Statutes 2020, section 256B.0759, subdivision 2, is amended to read:

295.9 Subd. 2. **Provider participation.** (a) Outpatient substance use disorder treatment
295.10 providers may elect to participate in the demonstration project and meet the requirements
295.11 of subdivision 3. To participate, a provider must notify the commissioner of the provider's
295.12 intent to participate in a format required by the commissioner and enroll as a demonstration
295.13 project provider.

295.14 (b) Programs licensed by the Department of Human Services as residential treatment
295.15 programs according to section 245G.21 that receive payment under this chapter must enroll
295.16 as demonstration project providers and meet the requirements of subdivision 3 by January
295.17 1, 2024. Programs that do not meet the requirements of this paragraph are ineligible for
295.18 payment for services provided under section 256B.0625.

295.19 (c) Programs licensed by the Department of Human Services as withdrawal management
295.20 programs according to chapter 245F that receive payment under this chapter must enroll as
295.21 demonstration project providers and meet the requirements of subdivision 3 by January 1,
295.22 2024. Programs that do not meet the requirements of this paragraph are ineligible for payment
295.23 for services provided under section 256B.0625.

295.24 (d) Out-of-state residential substance use disorder treatment programs that receive
295.25 payment under this chapter must enroll as demonstration project providers and meet the
295.26 requirements of subdivision 3 by January 1, 2024. Programs that do not meet the requirements
295.27 of this paragraph are ineligible for payment for services provided under section 256B.0625.

295.28 (e) Tribally licensed programs may elect to participate in the demonstration project and
295.29 meet the requirements of subdivision 3. The Department of Human Services must consult
295.30 with Tribal nations to discuss participation in the substance use disorder demonstration
295.31 project.

295.32 (f) The commissioner shall allow providers enrolled in the demonstration project before
295.33 July 1, 2021, to receive applicable rate enhancements authorized under subdivision 4 for

296.1 all services provided on or after the date of enrollment, except that the commissioner shall
296.2 allow a provider to receive applicable rate enhancements authorized under subdivision 4
296.3 for services provided on or after July 22, 2020, to fee-for-service enrollees, and on or after
296.4 January 1, 2021, to managed care enrollees, if the provider meets all of the following
296.5 requirements:

296.6 (1) the provider attests that during the time period for which the provider is seeking the
296.7 rate enhancement, the provider took meaningful steps in their plan approved by the
296.8 commissioner to meet the demonstration project requirements in subdivision 3; and

296.9 (2) the provider submits attestation and evidence, including all information requested
296.10 by the commissioner, of meeting the requirements of subdivision 3 to the commissioner in
296.11 a format required by the commissioner.

296.12 The commissioner may recoup any rate enhancements paid under this paragraph to a
296.13 provider that does not meet the requirements of subdivision 3 by July 1, 2021.

296.14 **EFFECTIVE DATE.** This section is effective July 1, 2021, or upon federal approval,
296.15 whichever is later, except paragraph (f) is effective the day following final enactment. The
296.16 commissioner shall notify the revisor of statutes when federal approval is obtained.

296.17 Sec. 19. Minnesota Statutes 2020, section 256B.0759, subdivision 4, is amended to read:

296.18 Subd. 4. **Provider payment rates.** (a) Payment rates for participating providers must
296.19 be increased for services provided to medical assistance enrollees. To receive a rate increase,
296.20 participating providers must meet demonstration project requirements and provide evidence
296.21 of formal referral arrangements with providers delivering step-up or step-down levels of
296.22 care. Providers that have enrolled in the demonstration project but have not met the provider
296.23 standards under subdivision 3 as of July 1, 2022, are not eligible for a rate increase under
296.24 this subdivision until the date that the provider meets the provider standards in subdivision
296.25 3. Services provided from July 1, 2022, to the date that the provider meets the provider
296.26 standards under subdivision 3 shall be reimbursed at rates according to section 254B.05,
296.27 subdivision 5, paragraph (b). Rate increases paid under this subdivision to a provider for
296.28 services provided between July 1, 2021, and July 1, 2022, are not subject to recoupment
296.29 when the provider is taking meaningful steps to meet demonstration project requirements
296.30 that are not otherwise required by law, and the provider provides documentation to the
296.31 commissioner, upon request, of the steps being taken.

296.32 (b) The commissioner may temporarily suspend payments to the provider according to
296.33 section 256B.04, subdivision 21, paragraph (d), if the provider does not meet the requirements

297.1 in paragraph (a). Payments withheld from the provider must be made once the commissioner
297.2 determines that the requirements in paragraph (a) are met.

297.3 ~~(b)~~ (c) For substance use disorder services under section 254B.05, subdivision 5,
297.4 paragraph (b), clause (8), provided on or after July 1, 2020, payment rates must be increased
297.5 by ~~15~~ 25 percent over the rates in effect on December 31, 2019.

297.6 ~~(e)~~ (d) For substance use disorder services under section 254B.05, subdivision 5,
297.7 paragraph (b), clauses (1), (6), and (7), and adolescent treatment programs that are licensed
297.8 as outpatient treatment programs according to sections 245G.01 to 245G.18, provided on
297.9 or after January 1, 2021, payment rates must be increased by ~~ten~~ 20 percent over the rates
297.10 in effect on December 31, 2020.

297.11 ~~(d)~~ (e) Effective January 1, 2021, and contingent on annual federal approval, managed
297.12 care plans and county-based purchasing plans must reimburse providers of the substance
297.13 use disorder services meeting the criteria described in paragraph (a) who are employed by
297.14 or under contract with the plan an amount that is at least equal to the fee-for-service base
297.15 rate payment for the substance use disorder services described in paragraphs ~~(b)~~ (c) and ~~(e)~~
297.16 (d). The commissioner must monitor the effect of this requirement on the rate of access to
297.17 substance use disorder services and residential substance use disorder rates. Capitation rates
297.18 paid to managed care organizations and county-based purchasing plans must reflect the
297.19 impact of this requirement. This paragraph expires if federal approval is not received at any
297.20 time as required under this paragraph.

297.21 ~~(e)~~ (f) Effective July 1, 2021, contracts between managed care plans and county-based
297.22 purchasing plans and providers to whom paragraph ~~(d)~~ (e) applies must allow recovery of
297.23 payments from those providers if, for any contract year, federal approval for the provisions
297.24 of paragraph ~~(d)~~ (e) is not received, and capitation rates are adjusted as a result. Payment
297.25 recoveries must not exceed the amount equal to any decrease in rates that results from this
297.26 provision.

297.27 **EFFECTIVE DATE.** This section is effective July 1, 2021, or upon federal approval,
297.28 whichever occurs later, except paragraphs (c) and (d) are effective January 1, 2022, or upon
297.29 federal approval, whichever is later. The commissioner shall notify the revisor of statutes
297.30 when federal approval is obtained.

298.1 Sec. 20. Minnesota Statutes 2020, section 256B.0759, is amended by adding a subdivision
298.2 to read:

298.3 Subd. 6. **Medium intensity residential program participation.** Medium intensity
298.4 residential programs that qualify to participate in the demonstration project shall use the
298.5 specified base payment rate of \$132.90 per day, and shall be eligible for the rate increases
298.6 specified in subdivision 4.

298.7 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2020.

298.8 Sec. 21. Minnesota Statutes 2020, section 256B.0759, is amended by adding a subdivision
298.9 to read:

298.10 Subd. 7. **Public access.** The state shall post the final documents, for example, monitoring
298.11 reports, close out report, approved evaluation design, interim evaluation report, and
298.12 summative evaluation report, on the state's Medicaid website within 30 calendar days of
298.13 approval by CMS.

298.14 **EFFECTIVE DATE.** This section is effective July 1, 2021.

298.15 Sec. 22. Minnesota Statutes 2020, section 256B.0759, is amended by adding a subdivision
298.16 to read:

298.17 Subd. 8. **Federal approval; demonstration project extension.** The commissioner shall
298.18 seek a five-year extension of the demonstration project under this section and to receive
298.19 enhanced federal financial participation.

298.20 **EFFECTIVE DATE.** This section is effective July 1, 2021.

298.21 Sec. 23. Minnesota Statutes 2020, section 256B.0759, is amended by adding a subdivision
298.22 to read:

298.23 Subd. 9. **Demonstration project evaluation work group.** Beginning October 1, 2021,
298.24 the commissioner shall assemble a work group of relevant stakeholders, including but not
298.25 limited to demonstration project participants and the Minnesota Association of Resources
298.26 for Recovery and Chemical Health, that shall meet at least quarterly for the duration of the
298.27 demonstration to evaluate the long-term sustainability of any improvements to quality or
298.28 access to substance use disorder treatment services caused by participation in the
298.29 demonstration project. The work group shall also determine how to implement successful
298.30 outcomes of the demonstration project once the project expires.

298.31 **EFFECTIVE DATE.** This section is effective July 1, 2021.

299.1 Sec. 24. [256B.076] CASE MANAGEMENT SERVICES.

299.2 Subdivision 1. Generally. (a) It is the policy of this state to ensure that individuals on
299.3 medical assistance receive cost-effective and coordinated care, including efforts to address
299.4 the profound effects of housing instability, food insecurity, and other social determinants
299.5 of health. Therefore, subject to federal approval, medical assistance covers targeted case
299.6 management services as described in this section.

299.7 (b) The commissioner, in collaboration with tribes, counties, providers, and individuals
299.8 served, must propose further modifications to targeted case management services to ensure
299.9 a program that complies with all federal requirements, delivers services in a cost-effective
299.10 and efficient manner, creates uniform expectations for targeted case management services,
299.11 addresses health disparities, and promotes person- and family-centered services.

299.12 Subd. 2. Rate setting. (a) The commissioner must develop and implement a statewide
299.13 rate methodology for any county that subcontracts targeted case management services to a
299.14 vendor. The commissioner must publish the final draft of the proposed rate methodology
299.15 at least 30 days prior to posting the state plan amendment for public comment and must
299.16 take stakeholder feedback into consideration by providing an opportunity for the public to
299.17 provide feedback on the proposed rate methodology. The commissioner must respond to
299.18 comments received before the submission of the state plan amendment, explaining the
299.19 commissioner's decisions regarding the responses and identifying any changes made in an
299.20 effort to respond to public feedback. On January 1, 2022, or upon federal approval, whichever
299.21 is later, a county must use this methodology for any targeted case management services
299.22 paid by medical assistance and delivered through a subcontractor.

299.23 (b) In setting this rate, the commissioner must include the following:

299.24 (1) prevailing wages;

299.25 (2) employee-related expense factor;

299.26 (3) paid time off and training factors;

299.27 (4) supervision and span of control;

299.28 (5) distribution of time factor;

299.29 (6) administrative factor;

299.30 (7) absence factor;

299.31 (8) program support factor;

299.32 (9) caseload sizes as published by the commissioner; and

300.1 (10) culturally specific program factor as described in subdivision 3.

300.2 (c) A county may request that the commissioner authorize a rate based on a different
300.3 caseload size when a subcontractor is assigned to serve individuals with needs, such as
300.4 homelessness or specific linguistic or cultural needs, that significantly differ from other
300.5 eligible populations. A county must include the following in the request:

300.6 (1) the number of clients to be served by a full-time equivalent staffer;

300.7 (2) the specific factors that require a case manager to provide a significantly different
300.8 number of hours of reimbursable services to a client; and

300.9 (3) how the county intends to monitor caseload size and outcomes.

300.10 (d) The commissioner must adjust only the factor for caseload size in paragraph (b),
300.11 clause (9), in response to a request under paragraph (c). The commissioner must not duplicate
300.12 costs assumed by the culturally specific program factor in paragraph (b), clause (10), in
300.13 response to a request under paragraph (c). With agreement of counties and in consultation
300.14 with other stakeholders, the commissioner may introduce factors and adjustments other than
300.15 those listed in paragraphs (b) and (c), subject to federal approval.

300.16 Subd. 3. **Culturally specific program.** (a) "Culturally specific program" means a targeted
300.17 case management program that:

300.18 (1) ensures effective, equitable, comprehensive, and respectful quality care services that
300.19 are responsive to individuals within a specific population's values, beliefs, practices, health
300.20 literacy, preferred language, and other communication needs;

300.21 (2) is designed to address the unique needs of individuals who share a common language
300.22 or racial, ethnic, or social background;

300.23 (3) is governed with significant input from individuals of the specific background that
300.24 the program is designed to serve; and

300.25 (4) employs individuals to provide targeted case management, at least 50 percent of
300.26 whom are of the specific background that the program is designed to serve.

300.27 (b) The culturally specific program factor in subdivision 2, paragraph (b), clause (10),
300.28 adjusts the targeted case management rate for culturally specific programs to reflect the
300.29 staffing and programmatic costs necessary to provide culturally specific targeted case
300.30 management.

301.1 Sec. 25. Minnesota Statutes 2020, section 256B.0924, subdivision 6, is amended to read:

301.2 Subd. 6. **Payment for targeted case management.** (a) Medical assistance and
301.3 MinnesotaCare payment for targeted case management shall be made on a monthly basis.
301.4 In order to receive payment for an eligible adult, the provider must document at least one
301.5 contact per month and not more than two consecutive months without a face-to-face contact
301.6 with the adult or the adult's legal representative, family, primary caregiver, or other relevant
301.7 persons identified as necessary to the development or implementation of the goals of the
301.8 personal service plan.

301.9 (b) Payment for targeted case management provided by county staff under this subdivision
301.10 shall be based on the monthly rate methodology under section 256B.094, subdivision 6,
301.11 paragraph (b), calculated as one combined average rate together with adult mental health
301.12 case management under section 256B.0625, subdivision 20, except for calendar year 2002.
301.13 In calendar year 2002, the rate for case management under this section shall be the same as
301.14 the rate for adult mental health case management in effect as of December 31, 2001. Billing
301.15 and payment must identify the recipient's primary population group to allow tracking of
301.16 revenues.

301.17 (c) Payment for targeted case management provided by county-contracted vendors shall
301.18 be based on a monthly rate ~~negotiated by the host county~~ calculated in accordance with
301.19 section 256B.076, subdivision 2. The ~~negotiated~~ rate must not exceed the rate charged by
301.20 the vendor for the same service to other payers. If the service is provided by a team of
301.21 contracted vendors, the ~~county may negotiate a team rate with a vendor who is a member~~
301.22 ~~of the team.~~ The team shall determine how to distribute the rate among its members. No
301.23 reimbursement received by contracted vendors shall be returned to the county, except to
301.24 reimburse the county for advance funding provided by the county to the vendor.

301.25 (d) If the service is provided by a team that includes contracted vendors and county staff,
301.26 the costs for county staff participation on the team shall be included in the rate for
301.27 county-provided services. In this case, the contracted vendor and the county may each
301.28 receive separate payment for services provided by each entity in the same month. In order
301.29 to prevent duplication of services, the county must document, in the recipient's file, the need
301.30 for team targeted case management and a description of the different roles of the team
301.31 members.

301.32 (e) Notwithstanding section 256B.19, subdivision 1, the nonfederal share of costs for
301.33 targeted case management shall be provided by the recipient's county of responsibility, as

302.1 defined in sections 256G.01 to 256G.12, from sources other than federal funds or funds
302.2 used to match other federal funds.

302.3 (f) The commissioner may suspend, reduce, or terminate reimbursement to a provider
302.4 that does not meet the reporting or other requirements of this section. The county of
302.5 responsibility, as defined in sections 256G.01 to 256G.12, is responsible for any federal
302.6 disallowances. The county may share this responsibility with its contracted vendors.

302.7 (g) The commissioner shall set aside five percent of the federal funds received under
302.8 this section for use in reimbursing the state for costs of developing and implementing this
302.9 section.

302.10 (h) Payments to counties for targeted case management expenditures under this section
302.11 shall only be made from federal earnings from services provided under this section. Payments
302.12 to contracted vendors shall include both the federal earnings and the county share.

302.13 (i) Notwithstanding section 256B.041, county payments for the cost of case management
302.14 services provided by county staff shall not be made to the commissioner of management
302.15 and budget. For the purposes of targeted case management services provided by county
302.16 staff under this section, the centralized disbursement of payments to counties under section
302.17 256B.041 consists only of federal earnings from services provided under this section.

302.18 (j) If the recipient is a resident of a nursing facility, intermediate care facility, or hospital,
302.19 and the recipient's institutional care is paid by medical assistance, payment for targeted case
302.20 management services under this subdivision is limited to the lesser of:

302.21 (1) the last 180 days of the recipient's residency in that facility; or

302.22 (2) the limits and conditions which apply to federal Medicaid funding for this service.

302.23 (k) Payment for targeted case management services under this subdivision shall not
302.24 duplicate payments made under other program authorities for the same purpose.

302.25 (l) Any growth in targeted case management services and cost increases under this
302.26 section shall be the responsibility of the counties.

302.27 Sec. 26. Minnesota Statutes 2020, section 256B.094, subdivision 6, is amended to read:

302.28 Subd. 6. **Medical assistance reimbursement of case management services.** (a) Medical
302.29 assistance reimbursement for services under this section shall be made on a monthly basis.
302.30 Payment is based on face-to-face or telephone contacts between the case manager and the
302.31 client, client's family, primary caregiver, legal representative, or other relevant person
302.32 identified as necessary to the development or implementation of the goals of the individual

303.1 service plan regarding the status of the client, the individual service plan, or the goals for
303.2 the client. These contacts must meet the minimum standards in clauses (1) and (2):

303.3 (1) there must be a face-to-face contact at least once a month except as provided in clause
303.4 (2); and

303.5 (2) for a client placed outside of the county of financial responsibility, or a client served
303.6 by tribal social services placed outside the reservation, in an excluded time facility under
303.7 section 256G.02, subdivision 6, or through the Interstate Compact for the Placement of
303.8 Children, section 260.93, and the placement in either case is more than 60 miles beyond
303.9 the county or reservation boundaries, there must be at least one contact per month and not
303.10 more than two consecutive months without a face-to-face contact.

303.11 (b) Except as provided under paragraph (c), the payment rate is established using time
303.12 study data on activities of provider service staff and reports required under sections 245.482
303.13 and 256.01, subdivision 2, paragraph (p).

303.14 (c) Payments for tribes may be made according to section 256B.0625 or other relevant
303.15 federally approved rate setting methodology for child welfare targeted case management
303.16 provided by Indian health services and facilities operated by a tribe or tribal organization.

303.17 (d) ~~Payment for case management provided by county or tribal social services contracted~~
303.18 ~~vendors shall be based on a monthly rate negotiated by the host county or tribal social~~
303.19 ~~services~~ must be calculated in accordance with section 256B.076, subdivision 2. Payment
303.20 for case management provided by vendors who contract with a Tribe must be based on a
303.21 monthly rate negotiated by the Tribe. The negotiated rate must not exceed the rate charged
303.22 by the vendor for the same service to other payers. If the service is provided by a team of
303.23 ~~contracted vendors, the county or tribal social services may negotiate a team rate with a~~
303.24 ~~vendor who is a member of the team. The team shall determine how to distribute the rate~~
303.25 ~~among its members. No reimbursement received by contracted vendors shall be returned~~
303.26 ~~to the county or tribal social services, except to reimburse the county or tribal social services~~
303.27 ~~for advance funding provided by the county or tribal social services to the vendor.~~

303.28 (e) If the service is provided by a team that includes contracted vendors and county or
303.29 tribal social services staff, the costs for county or tribal social services staff participation in
303.30 the team shall be included in the rate for county or tribal social services provided services.
303.31 In this case, the contracted vendor and the county or tribal social services may each receive
303.32 separate payment for services provided by each entity in the same month. To prevent
303.33 duplication of services, each entity must document, in the recipient's file, the need for team
303.34 case management and a description of the roles and services of the team members.

304.1 Separate payment rates may be established for different groups of providers to maximize
304.2 reimbursement as determined by the commissioner. The payment rate will be reviewed
304.3 annually and revised periodically to be consistent with the most recent time study and other
304.4 data. Payment for services will be made upon submission of a valid claim and verification
304.5 of proper documentation described in subdivision 7. Federal administrative revenue earned
304.6 through the time study, or under paragraph (c), shall be distributed according to earnings,
304.7 to counties, reservations, or groups of counties or reservations which have the same payment
304.8 rate under this subdivision, and to the group of counties or reservations which are not
304.9 certified providers under section 256F.10. The commissioner shall modify the requirements
304.10 set out in Minnesota Rules, parts 9550.0300 to 9550.0370, as necessary to accomplish this.

304.11 Sec. 27. Minnesota Statutes 2020, section 256B.0946, subdivision 1, as amended by Laws
304.12 2021, chapter 30, article 17, section 91, is amended to read:

304.13 Subdivision 1. **Required covered service components.** (a) Subject to federal approval,
304.14 medical assistance covers medically necessary intensive treatment services when the services
304.15 are provided by a provider entity certified under and meeting the standards in this section.
304.16 The provider entity must make reasonable and good faith efforts to report individual client
304.17 outcomes to the commissioner, using instruments and protocols approved by the
304.18 commissioner.

304.19 (b) Intensive treatment services to children with mental illness residing in foster family
304.20 settings that comprise specific required service components provided in clauses (1) to ~~(5)~~
304.21 (6) are reimbursed by medical assistance when they meet the following standards:

304.22 (1) psychotherapy provided by a mental health professional or a clinical trainee;

304.23 (2) crisis planning;

304.24 (3) individual, family, and group psychoeducation services provided by a mental health
304.25 professional or a clinical trainee;

304.26 (4) clinical care consultation provided by a mental health professional or a clinical
304.27 trainee; ~~and~~

304.28 (5) individual treatment plan development as defined in Minnesota Rules, part 9505.0371,
304.29 subpart 7; and

304.30 (6) service delivery payment requirements as provided under subdivision 4.

305.1 **EFFECTIVE DATE.** This section is effective July 1, 2021, or upon federal approval,
305.2 whichever is later. The commissioner of human services shall notify the revisor of statutes
305.3 when federal approval is obtained.

305.4 Sec. 28. Minnesota Statutes 2020, section 256B.0946, subdivision 4, as amended by Laws
305.5 2021, chapter 30, article 17, section 95, is amended to read:

305.6 Subd. 4. **Service delivery payment requirements.** (a) To be eligible for payment under
305.7 this section, a provider must develop and practice written policies and procedures for
305.8 intensive treatment in foster care, consistent with subdivision 1, paragraph (b), and comply
305.9 with the following requirements in paragraphs (b) to ~~(h)~~ (n).

305.10 (b) Each previous and current mental health, school, and physical health treatment
305.11 provider must be contacted to request documentation of treatment and assessments that the
305.12 eligible client has received. This information must be reviewed and incorporated into the
305.13 standard diagnostic assessment and team consultation and treatment planning review process.

305.14 (c) Each client receiving treatment must be assessed for a trauma history, and the client's
305.15 treatment plan must document how the results of the assessment will be incorporated into
305.16 treatment.

305.17 (d) The level of care assessment as defined in section 245I.02, subdivision 19, and
305.18 functional assessment as defined in section 245I.02, subdivision 17, must be updated at
305.19 least every 90 days or prior to discharge from the service, whichever comes first.

305.20 (e) Each client receiving treatment services must have an individual treatment plan that
305.21 is reviewed, evaluated, and approved every 90 days using the team consultation and treatment
305.22 planning process.

305.23 (f) Clinical care consultation must be provided in accordance with the client's individual
305.24 treatment plan.

305.25 (g) Each client must have a crisis plan within ten days of initiating services and must
305.26 have access to clinical phone support 24 hours per day, seven days per week, during the
305.27 course of treatment. The crisis plan must demonstrate coordination with the local or regional
305.28 mobile crisis intervention team.

305.29 (h) Services must be delivered and documented at least three days per week, equaling
305.30 at least six hours of treatment per week, ~~unless reduced units of service are specified on the~~
305.31 ~~treatment plan.~~ If the mental health professional, client, and family agree, service units may
305.32 be temporarily reduced for a period of no more than 60 days in order to meet the needs of
305.33 the client and family, or as part of transition or on a discharge plan to another service or

306.1 level of care. The reasons for service reduction must be identified, documented, and included
306.2 in the treatment plan. Billing and payment are prohibited for days on which no services are
306.3 delivered and documented.

306.4 (i) Location of service delivery must be in the client's home, day care setting, school, or
306.5 other community-based setting that is specified on the client's individualized treatment plan.

306.6 (j) Treatment must be developmentally and culturally appropriate for the client.

306.7 (k) Services must be delivered in continual collaboration and consultation with the
306.8 client's medical providers and, in particular, with prescribers of psychotropic medications,
306.9 including those prescribed on an off-label basis. Members of the service team must be aware
306.10 of the medication regimen and potential side effects.

306.11 (l) Parents, siblings, foster parents, and members of the child's permanency plan must
306.12 be involved in treatment and service delivery unless otherwise noted in the treatment plan.

306.13 (m) Transition planning for the child must be conducted starting with the first treatment
306.14 plan and must be addressed throughout treatment to support the child's permanency plan
306.15 and postdischarge mental health service needs.

306.16 (n) In order for a provider to receive the daily per-client encounter rate, at least one of
306.17 the services listed in subdivision 1, paragraph (b), clauses (1) to (3), must be provided. The
306.18 services listed in subdivision 1, paragraph (b), clauses (4) and (5), may be included as part
306.19 of the daily per-client encounter rate.

306.20 **EFFECTIVE DATE.** This section is effective July 1, 2021, or upon federal approval,
306.21 whichever is later. The commissioner of human services shall notify the revisor of statutes
306.22 when federal approval is obtained.

306.23 Sec. 29. Minnesota Statutes 2020, section 256B.0947, subdivision 2, as amended by Laws
306.24 2021, chapter 30, article 17, section 98, is amended to read:

306.25 Subd. 2. **Definitions.** For purposes of this section, the following terms have the meanings
306.26 given them.

306.27 (a) "Intensive nonresidential rehabilitative mental health services" means child
306.28 rehabilitative mental health services as defined in section 256B.0943, except that these
306.29 services are provided by a multidisciplinary staff using a total team approach consistent
306.30 with assertive community treatment, as adapted for youth, and are directed to recipients
306.31 who are eight years of age or older and under 26 years of age who require intensive services
306.32 to prevent admission to an inpatient psychiatric hospital or placement in a residential

307.1 treatment facility or who require intensive services to step down from inpatient or residential
307.2 care to community-based care.

307.3 (b) "Co-occurring mental illness and substance use disorder" means a dual diagnosis of
307.4 at least one form of mental illness and at least one substance use disorder. Substance use
307.5 disorders include alcohol or drug abuse or dependence, excluding nicotine use.

307.6 (c) "Standard diagnostic assessment" means the assessment described in section 245I.10,
307.7 subdivision 6.

307.8 (d) "Medication education services" means services provided individually or in groups,
307.9 which focus on:

307.10 (1) educating the client and client's family or significant nonfamilial supporters about
307.11 mental illness and symptoms;

307.12 (2) the role and effects of medications in treating symptoms of mental illness; and

307.13 (3) the side effects of medications.

307.14 Medication education is coordinated with medication management services and does not
307.15 duplicate it. Medication education services are provided by physicians, pharmacists, or
307.16 registered nurses with certification in psychiatric and mental health care.

307.17 (e) "Mental health professional" means a staff person who is qualified according to
307.18 section 245I.04, subdivision 2.

307.19 (f) "Provider agency" means a for-profit or nonprofit organization established to
307.20 administer an assertive community treatment for youth team.

307.21 (g) "Substance use disorders" means one or more of the disorders defined in the diagnostic
307.22 and statistical manual of mental disorders, current edition.

307.23 (h) "Transition services" means:

307.24 (1) activities, materials, consultation, and coordination that ensures continuity of the
307.25 client's care in advance of and in preparation for the client's move from one stage of care
307.26 or life to another by maintaining contact with the client and assisting the client to establish
307.27 provider relationships;

307.28 (2) providing the client with knowledge and skills needed posttransition;

307.29 (3) establishing communication between sending and receiving entities;

307.30 (4) supporting a client's request for service authorization and enrollment; and

307.31 (5) establishing and enforcing procedures and schedules.

308.1 A youth's transition from the children's mental health system and services to the adult
308.2 mental health system and services and return to the client's home and entry or re-entry into
308.3 community-based mental health services following discharge from an out-of-home placement
308.4 or inpatient hospital stay.

308.5 (i) "Treatment team" means all staff who provide services to recipients under this section.

308.6 (j) "Family peer specialist" means a staff person who is qualified under section
308.7 256B.0616.

308.8 Sec. 30. Minnesota Statutes 2020, section 256B.0947, subdivision 3, as amended by Laws
308.9 2021, chapter 30, article 17, section 99, is amended to read:

308.10 Subd. 3. **Client eligibility.** An eligible recipient is an individual who:

308.11 (1) is ~~age 16, 17, 18, 19, or 20~~ eight years of age or older and under 26 years of age; and

308.12 (2) is diagnosed with a serious mental illness or co-occurring mental illness and substance
308.13 use disorder, for which intensive nonresidential rehabilitative mental health services are
308.14 needed;

308.15 (3) has received a level of care assessment as defined in section 245I.02, subdivision
308.16 19, that indicates a need for intensive integrated intervention without 24-hour medical
308.17 monitoring and a need for extensive collaboration among multiple providers;

308.18 (4) has received a functional assessment as defined in section 245I.02, subdivision 17,
308.19 that indicates functional impairment and a history of difficulty in functioning safely and
308.20 successfully in the community, school, home, or job; or who is likely to need services from
308.21 the adult mental health system ~~within the next two years~~ during adulthood; and

308.22 (5) has had a recent standard diagnostic assessment that documents that intensive
308.23 nonresidential rehabilitative mental health services are medically necessary to ameliorate
308.24 identified symptoms and functional impairments and to achieve individual transition goals.

308.25 Sec. 31. Minnesota Statutes 2020, section 256B.0947, subdivision 5, as amended by Laws
308.26 2021, chapter 30, article 17, section 101, is amended to read:

308.27 Subd. 5. **Standards for intensive nonresidential rehabilitative providers.** (a) Services
308.28 must meet the standards in this section and chapter 245I as required in section 245I.011,
308.29 subdivision 5.

308.30 (b) The treatment team must have specialized training in providing services to the specific
308.31 age group of youth that the team serves. An individual treatment team must serve youth

309.1 who are: (1) at least eight years of age or older and under 16 years of age, or (2) at least 14
309.2 years of age or older and under 26 years of age.

309.3 ~~(b)~~ (c) The treatment team for intensive nonresidential rehabilitative mental health
309.4 services comprises both permanently employed core team members and client-specific team
309.5 members as follows:

309.6 (1) Based on professional qualifications and client needs, clinically qualified core team
309.7 members are assigned on a rotating basis as the client's lead worker to coordinate a client's
309.8 care. The core team must comprise at least four full-time equivalent direct care staff and
309.9 must minimally include:

309.10 (i) a mental health professional who serves as team leader to provide administrative
309.11 direction and treatment supervision to the team;

309.12 (ii) an advanced-practice registered nurse with certification in psychiatric or mental
309.13 health care or a board-certified child and adolescent psychiatrist, either of which must be
309.14 credentialed to prescribe medications;

309.15 (iii) a licensed alcohol and drug counselor who is also trained in mental health
309.16 interventions; and

309.17 (iv) a mental health certified peer specialist who is qualified according to section 245I.04,
309.18 subdivision 10, and is also a former children's mental health consumer.

309.19 (2) The core team may also include any of the following:

309.20 (i) additional mental health professionals;

309.21 (ii) a vocational specialist;

309.22 (iii) an educational specialist with knowledge and experience working with youth
309.23 regarding special education requirements and goals, special education plans, and coordination
309.24 of educational activities with health care activities;

309.25 (iv) a child and adolescent psychiatrist who may be retained on a consultant basis;

309.26 (v) a clinical trainee qualified according to section 245I.04, subdivision 6;

309.27 (vi) a mental health practitioner qualified according to section 245I.04, subdivision 4;

309.28 (vii) a case management service provider, as defined in section 245.4871, subdivision
309.29 4;

309.30 (viii) a housing access specialist; and

309.31 (ix) a family peer specialist as defined in subdivision 2, paragraph (m).

310.1 (3) A treatment team may include, in addition to those in clause (1) or (2), ad hoc
310.2 members not employed by the team who consult on a specific client and who must accept
310.3 overall clinical direction from the treatment team for the duration of the client's placement
310.4 with the treatment team and must be paid by the provider agency at the rate for a typical
310.5 session by that provider with that client or at a rate negotiated with the client-specific
310.6 member. Client-specific treatment team members may include:

310.7 (i) the mental health professional treating the client prior to placement with the treatment
310.8 team;

310.9 (ii) the client's current substance use counselor, if applicable;

310.10 (iii) a lead member of the client's individualized education program team or school-based
310.11 mental health provider, if applicable;

310.12 (iv) a representative from the client's health care home or primary care clinic, as needed
310.13 to ensure integration of medical and behavioral health care;

310.14 (v) the client's probation officer or other juvenile justice representative, if applicable;
310.15 and

310.16 (vi) the client's current vocational or employment counselor, if applicable.

310.17 ~~(e)~~ (d) The treatment supervisor shall be an active member of the treatment team and
310.18 shall function as a practicing clinician at least on a part-time basis. The treatment team shall
310.19 meet with the treatment supervisor at least weekly to discuss recipients' progress and make
310.20 rapid adjustments to meet recipients' needs. The team meeting must include client-specific
310.21 case reviews and general treatment discussions among team members. Client-specific case
310.22 reviews and planning must be documented in the individual client's treatment record.

310.23 ~~(d)~~ (e) The staffing ratio must not exceed ten clients to one full-time equivalent treatment
310.24 team position.

310.25 ~~(e)~~ (f) The treatment team shall serve no more than 80 clients at any one time. Should
310.26 local demand exceed the team's capacity, an additional team must be established rather than
310.27 exceed this limit.

310.28 ~~(f)~~ (g) Nonclinical staff shall have prompt access in person or by telephone to a mental
310.29 health practitioner, clinical trainee, or mental health professional. The provider shall have
310.30 the capacity to promptly and appropriately respond to emergent needs and make any
310.31 necessary staffing adjustments to ensure the health and safety of clients.

311.1 ~~(g)~~ (h) The intensive nonresidential rehabilitative mental health services provider shall
311.2 participate in evaluation of the assertive community treatment for youth (Youth ACT) model
311.3 as conducted by the commissioner, including the collection and reporting of data and the
311.4 reporting of performance measures as specified by contract with the commissioner.

311.5 ~~(h)~~ (i) A regional treatment team may serve multiple counties.

311.6 Sec. 32. **DIRECTION TO THE COMMISSIONER; RATE RECOMMENDATIONS**
311.7 **FOR OPIOID TREATMENT PROGRAMS.**

311.8 The commissioner of human services shall evaluate the rate structure for opioid treatment
311.9 programs licensed under Minnesota Statutes, section 245G.22, and report recommendations,
311.10 including a revised rate structure and proposed draft legislation, to the chairs and ranking
311.11 minority members of the legislative committees with jurisdiction over human services policy
311.12 and finance by December 1, 2021.

311.13 Sec. 33. **DIRECTION TO THE COMMISSIONER; ADULT MENTAL HEALTH**
311.14 **INITIATIVES REFORM.**

311.15 By February 1, 2022, and prior to the implementation of a new funding formula, the
311.16 commissioner of human services must provide a report on the funding formula to reform
311.17 adult mental health initiatives to the chairs and ranking minority members of the legislative
311.18 committees with jurisdiction over health and human services finance and policy. In
311.19 developing the funding formula, the commissioner must consult with stakeholders, including
311.20 adult mental health initiatives, counties, Tribal nations, adult mental health providers, and
311.21 individuals with lived experiences. The report must include background information, the
311.22 underlying rationale and methodology for the new formula, and stakeholder feedback.

311.23 Sec. 34. **DIRECTION TO THE COMMISSIONER; CHILDREN'S MENTAL**
311.24 **HEALTH RESIDENTIAL TREATMENT WORK GROUP.**

311.25 The commissioner of human services, in consultation with counties, children's mental
311.26 health residential providers, and children's mental health advocates, must organize a work
311.27 group and develop recommendations on how to efficiently and effectively fund room and
311.28 board costs for children's mental health residential treatment under the children's mental
311.29 health act. The work group may also provide recommendations on how to address systemic
311.30 barriers in transitioning children into the community and community-based treatment options.
311.31 The commissioner shall submit the recommendations to the chairs and ranking minority

312.1 members of the legislative committees with jurisdiction over health and human services
312.2 policy and finance by February 15, 2022.

312.3 **Sec. 35. FIRST EPISODE OF PSYCHOSIS GRANT PROGRAM; AUTHORIZED**
312.4 **USES OF GRANT FUNDS.**

312.5 (a) Grant funds awarded by the commissioner of human services pursuant to Minnesota
312.6 Statutes, section 245.4889, subdivision 1, paragraph (b), clause (15), must be used to:

312.7 (1) provide intensive treatment and support for adolescents and adults experiencing or
312.8 at risk of experiencing a first psychotic episode. Intensive treatment and support includes
312.9 medication management, psychoeducation for an individual and an individual's family, case
312.10 management, employment support, education support, cognitive behavioral approaches,
312.11 social skills training, peer support, crisis planning, and stress management. Projects must
312.12 use all available funding streams;

312.13 (2) conduct outreach and provide training and guidance to mental health and health care
312.14 professionals, including postsecondary health clinics, on early psychosis symptoms, screening
312.15 tools, and best practices; and

312.16 (3) ensure access for individuals to first psychotic episode services under this section,
312.17 including ensuring access to first psychotic episode services for individuals who live in
312.18 rural areas.

312.19 (b) Grant funds may also be used to pay for housing or travel expenses or to address
312.20 other barriers preventing individuals and their families from participating in first psychotic
312.21 episode services.

312.22 **Sec. 36. DIRECTION TO COMMISSIONER OF HUMAN SERVICES; MENTAL**
312.23 **HEALTH GRANT PROGRAMS STATUTE REVISION.**

312.24 The commissioner of human services, in coordination with the Office of Senate Counsel,
312.25 Research, and Fiscal Analysis, the Office of the House Research Department, and the revisor
312.26 of statutes, shall prepare legislation for the 2022 legislative session to enact as statutes the
312.27 grant programs authorized and funded under Minnesota Statutes, section 245.4661,
312.28 subdivision 9. The draft statutes shall at least include the eligibility criteria, target populations,
312.29 authorized uses of grant funds, and outcome measures for each grant. The commissioner
312.30 shall provide a courtesy copy of the proposed legislation to the chairs and ranking minority
312.31 members of the legislative committees with jurisdiction over mental health grants.

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

313.1 **Sec. 37. DIRECTION TO THE COMMISSIONER; SOBER HOUSING PROGRAM**
313.2 **RECOMMENDATIONS.**

313.3 (a) The commissioner of human services, in consultation with stakeholders, must develop
313.4 recommendations on:

313.5 (1) increasing access to sober housing programs;

313.6 (2) promoting person-centered practices and cultural responsiveness in sober housing
313.7 programs;

313.8 (3) potential oversight of sober housing programs; and

313.9 (4) providing consumer protections for individuals in sober housing programs with
313.10 substance use disorders and individuals with co-occurring mental illnesses.

313.11 (b) Stakeholders include but are not limited to the Minnesota Association of Sober
313.12 Homes; the Minnesota Association of Resources for Recovery and Chemical Health;
313.13 Minnesota Recovery Connection; NAMI Minnesota; the National Alliance of Recovery
313.14 Residencies (NARR); Oxford Houses, Inc.; sober housing programs based in Minnesota
313.15 that are not members of the Minnesota Association of Sober Homes; a member of Alcoholics
313.16 Anonymous; and residents and former residents of sober housing programs based in
313.17 Minnesota. Stakeholders must equitably represent geographic areas of the state and must
313.18 include individuals in recovery and providers representing Black, Indigenous, people of
313.19 color, or immigrant communities.

313.20 (c) The commissioner must complete and submit a report on the recommendations in
313.21 this section to the chairs and ranking minority members of the legislative committees with
313.22 jurisdiction over health and human services policy and finance on or before September 1,
313.23 2022.

313.24 **Sec. 38. DIRECTION TO THE COMMISSIONER; SUBSTANCE USE DISORDER**
313.25 **TREATMENT PAPERWORK REDUCTION.**

313.26 (a) The commissioner of human services, in consultation with counties, tribes, managed
313.27 care organizations, substance use disorder treatment professional associations, and other
313.28 relevant stakeholders, shall develop, assess, and recommend systems improvements to
313.29 minimize regulatory paperwork and improve systems for substance use disorder programs
313.30 licensed under Minnesota Statutes, chapter 245A, and regulated under Minnesota Statutes,
313.31 chapters 245F and 245G, and Minnesota Rules, chapters 2960 and 9530. The commissioner
313.32 of human services shall make available any resources needed from other divisions within
313.33 the department to implement systems improvements.

314.1 (b) The commissioner of health shall make available needed information and resources
314.2 from the Division of Health Policy.

314.3 (c) The Office of MN.IT Services shall provide advance consultation and implementation
314.4 of the changes needed in data systems.

314.5 (d) The commissioner of human services shall contract with a vendor that has experience
314.6 with developing statewide system changes for multiple states at the payer and provider
314.7 levels. If the commissioner, after exercising reasonable diligence, is unable to secure a
314.8 vendor with the requisite qualifications, the commissioner may select the best qualified
314.9 vendor available. When developing recommendations, the commissioner shall consider
314.10 input from all stakeholders. The commissioner's recommendations shall maximize benefits
314.11 for clients and utility for providers, regulatory agencies, and payers.

314.12 (e) The commissioner of human services and the contracted vendor shall follow the
314.13 recommendations from the report issued in response to Laws 2019, First Special Session
314.14 chapter 9, article 6, section 76.

314.15 (f) By December 15, 2022, the commissioner of human services shall take steps to
314.16 implement paperwork reductions and systems improvements within the commissioner's
314.17 authority and submit to the chairs and ranking minority members of the legislative committees
314.18 with jurisdiction over health and human services a report that includes recommendations
314.19 for changes in statutes that would further enhance systems improvements to reduce
314.20 paperwork. The report shall include a summary of the approaches developed and assessed
314.21 by the commissioner of human services and stakeholders and the results of any assessments
314.22 conducted.

314.23 **Sec. 39. DIRECTION TO THE COMMISSIONER; TRIBAL OVERPAYMENT**
314.24 **PROTOCOLS.**

314.25 The commissioner of human services, in consultation with Tribal nations, shall develop
314.26 protocols that must be used to address and resolve any future overpayment involving any
314.27 Tribal nation in Minnesota.

314.28 **Sec. 40. DIRECTION TO THE COMMISSIONER; CULTURALLY AND**
314.29 **LINGUISTICALLY APPROPRIATE SERVICES.**

314.30 The commissioner of human services, in consultation with substance use disorder
314.31 treatment providers, lead agencies, and individuals who receive substance use disorder
314.32 treatment services, shall develop a statewide implementation and transition plan for culturally

315.1 and linguistically appropriate services (CLAS) national standards, including technical
315.2 assistance for providers to transition to CLAS standards and to improve disparate treatment
315.3 outcomes. The commissioner must consult with individuals who are Black, indigenous,
315.4 people of color, and linguistically diverse in the development of the implementation and
315.5 transition plans under this section.

315.6 **Sec. 41. SUBSTANCE USE DISORDER TREATMENT PATHFINDER**
315.7 **COMPANION PILOT PROJECT.**

315.8 (a) Anoka County and an academic institution acting as a research partner, in consultation
315.9 with the North Metro Mental Health Roundtable, shall conduct a one-year pilot project
315.10 beginning September 1, 2021, to evaluate the effects on treatment outcomes of the use by
315.11 individuals in substance use disorder recovery of the telephone-based Pathfinder Companion
315.12 application, which allows individuals in recovery to connect with peers, resources, providers,
315.13 and others helping with recovery after an individual is discharged from treatment, and the
315.14 use by providers of the computer-based Pathfinder Bridge application, which allows providers
315.15 to prioritize care, connect directly with patients, and monitor long-term outcomes and
315.16 recovery effectiveness.

315.17 (b) Prior to launching the program, Anoka County must secure the participation of an
315.18 academic research institution as a research partner and the project must receive approval
315.19 from the institution's institutional review board.

315.20 (c) The pilot project must monitor and evaluate the effects on treatment outcomes of
315.21 using the Pathfinder Companion and Pathfinder Bridge applications in order to determine
315.22 whether the addition of digital recovery support services alongside traditional methods of
315.23 recovery treatment improves treatment outcomes. The participating research partner shall
315.24 design and conduct the program evaluation.

315.25 (d) Anoka County and the participating research partner, in consultation with the North
315.26 Metro Mental Health Roundtable, shall report to the commissioner of human services and
315.27 the chairs and ranking minority members of the legislative committees with jurisdiction
315.28 over substance use disorder treatment by January 15, 2023, on the results of the pilot project.

315.29 **Sec. 42. FEDERAL COMMUNITY MENTAL HEALTH SERVICES BLOCK**
315.30 **GRANT ALLOCATION; SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES**
315.31 **ADMINISTRATION SPENDING PLAN.**

315.32 The commissioner of human services shall allocate \$7,511,000 in fiscal year 2022, \$0
315.33 in fiscal year 2023, \$1,000,000 in fiscal year 2024, and \$1,000,000 in fiscal year 2025 from

316.1 the community mental health services block grant amount in the federal fund for items
316.2 proposed by the commissioner to the federal Substance Abuse and Mental Health Services
316.3 Administration in the spending plan submitted on April 3, 2021, and approved on June 11,
316.4 2021. The commissioner may modify the proposed spending plan if necessary to comply
316.5 with federal requirements.

316.6 **Sec. 43. FEDERAL COMMUNITY MENTAL HEALTH SERVICES BLOCK**
316.7 **GRANT ALLOCATION; SCHOOL-LINKED BEHAVIORAL HEALTH GRANTS.**

316.8 The commissioner of human services shall allocate \$2,500,000 in fiscal year 2022,
316.9 \$2,500,000 in fiscal year 2023, \$2,500,000 in fiscal year 2024, and \$2,500,000 in fiscal
316.10 year 2025 from the community mental health services block grant amount in the federal
316.11 fund for mental health services provided through the school-linked behavioral health grant
316.12 program under Minnesota Statutes, section 245.4901.

316.13 **Sec. 44. FEDERAL SUBSTANCE ABUSE PREVENTION AND TREATMENT**
316.14 **BLOCK GRANT ALLOCATION; SCHOOL-LINKED BEHAVIORAL HEALTH**
316.15 **GRANTS.**

316.16 The commissioner of human services shall allocate \$1,750,000 in fiscal year 2022,
316.17 \$1,750,000 in fiscal year 2023, \$1,750,000 in fiscal year 2024, and \$1,750,000 in fiscal
316.18 year 2025 from the substance abuse prevention and treatment block grant amount in the
316.19 federal fund for substance use disorder treatment services provided through the school-linked
316.20 behavioral health grant program under Minnesota Statutes, section 245.4901.

316.21 **Sec. 45. FEDERAL SUBSTANCE ABUSE PREVENTION AND TREATMENT**
316.22 **BLOCK GRANT ALLOCATION; SUBSTANCE USE DISORDER TREATMENT**
316.23 **PATHFINDER COMPANION PILOT PROJECT.**

316.24 (a) The commissioner of human services shall allocate \$550,000 in fiscal year 2022
316.25 from the substance abuse prevention and treatment block grant amount in the federal fund
316.26 for a grant to Anoka County to conduct a substance use disorder treatment pathfinder
316.27 companion pilot project. This is a onetime allocation and is available until January 15, 2023.

316.28 (b) Of the allocation in paragraph (a), \$200,000 is for licensed use of the pathfinder
316.29 companion application for individuals participating in the pilot project, and up to \$50,000
316.30 is for licensed use of the pathfinder bridge application for providers participating in the pilot
316.31 project.

317.1 **Sec. 46. FEDERAL SUBSTANCE ABUSE PREVENTION AND TREATMENT**
317.2 **BLOCK GRANT ALLOCATION; OPIATE EPIDEMIC RESPONSE GRANTS.**

317.3 (a) The commissioner of human services shall allocate \$2,700,000 in fiscal year 2022
317.4 and \$2,700,000 in fiscal year 2023 from the substance abuse prevention and treatment block
317.5 grant amount in the federal fund for grants to be awarded according to the recommendations
317.6 of the Opiate Epidemic Response Advisory Council under Minnesota Statutes, section
317.7 256.042.

317.8 (b) The commissioner shall include information on the grants awarded under this section
317.9 in the annual report under Minnesota Statutes, section 256.042, subdivision 5, paragraph
317.10 (a).

317.11 **Sec. 47. FEDERAL SUBSTANCE ABUSE PREVENTION AND TREATMENT**
317.12 **BLOCK GRANT ALLOCATION; SUBSTANCE ABUSE AND MENTAL HEALTH**
317.13 **SERVICES ADMINISTRATION SPENDING PLAN.**

317.14 The commissioner of human services shall allocate \$10,767,000 in fiscal year 2022 from
317.15 the substance abuse prevention and treatment block grant amount in the federal fund for
317.16 items proposed by the commissioner to the federal Substance Abuse and Mental Health
317.17 Services Administration in the spending plan submitted on April 3, 2021, and approved on
317.18 June 11, 2021. The commissioner may modify the proposed spending plan if necessary to
317.19 comply with federal requirements.

317.20 **Sec. 48. OPIATE EPIDEMIC RESPONSE ADVISORY COUNCIL; INITIAL**
317.21 **MEMBERSHIP TERMS.**

317.22 Notwithstanding Minnesota Statutes, section 256.042, subdivision 2, paragraph (c), the
317.23 initial term for members of the Opiate Epidemic Response Advisory Council established
317.24 under Minnesota Statutes, section 256.042, identified in Minnesota Statutes, section 256.042,
317.25 subdivision 2, paragraph (a), clauses (1), (3), (5), (7), (9), (11), (13), (15), and (17), ends
317.26 September 30, 2022. The initial term for members identified under Minnesota Statutes,
317.27 section 256.042, subdivision 2, paragraph (a), clauses (2), (4), (6), (8), (10), (12), (14), and
317.28 (16), ends September 30, 2023.

317.29 **Sec. 49. REPEALER.**

317.30 (a) Minnesota Statutes 2020, section 256B.0596, is repealed.

317.31 (b) Minnesota Statutes 2020, section 245.4871, subdivision 32a, is repealed.

318.1 **EFFECTIVE DATE.** Paragraph (b) is effective September 30, 2021.

318.2 **ARTICLE 12**

318.3 **DIRECT CARE AND TREATMENT**

318.4 Section 1. Minnesota Statutes 2020, section 246.54, subdivision 1b, is amended to read:

318.5 Subd. 1b. **Community behavioral health hospitals.** A county's payment of the cost of
318.6 care provided at state-operated community-based behavioral health hospitals for adults and
318.7 children shall be according to the following schedule:

318.8 (1) 100 percent for each day during the stay, including the day of admission, when the
318.9 facility determines that it is clinically appropriate for the client to be discharged; and

318.10 (2) the county shall not be entitled to reimbursement from the client, the client's estate,
318.11 or from the client's relatives, except as provided in section 246.53.

318.12 Sec. 2. **DIRECTION TO COMMISSIONER; SAFETY NET SERVICES.**

318.13 (a) The commissioner must assess state-operated direct care and treatment services to
318.14 identify the extent to which the services function as safety net services and to make
318.15 recommendations that:

318.16 (1) enhance the continuum of services;

318.17 (2) improve access to services that support people with disabilities, older adults, and
318.18 people with behavioral health conditions who are living in their own homes, family homes,
318.19 and community-based settings;

318.20 (3) identify the state's role and community's role in maintaining the capacity to serve
318.21 people based on the availability of existing services; and

318.22 (4) provide an assessment and recommendations that identify new care delivery models
318.23 addressing community needs and the needs of people served by state facilities such as:

318.24 (i) urgent emergency settings;

318.25 (ii) facilities that provide a higher level of care to meet complex needs, but do not require
318.26 commitment or state safety net services;

318.27 (iii) programs that provide complex services, but require wrap-around services or specific
318.28 resources for people to reside at home or in community settings; and

318.29 (iv) programs providing care to meet people's needs in traditional community settings.

319.1 (b) The assessment and recommendations under paragraph (a), clause (4), must identify
 319.2 the resources necessary to implement identified care delivery models, including but not
 319.3 limited to funding, housing, resources, wrap-around staffing, compensation, and workforce
 319.4 development, and how the care delivery model will respond to patient needs based on
 319.5 specific criteria and minimize the gaps in service that may occur between acute care and
 319.6 routine care. The commissioner must seek input from stakeholders in a manner that balances
 319.7 input from advocacy and consumer-focused organizations and people who use services.

319.8 (c) The commissioner must submit a report to the chairs and ranking minority members
 319.9 of the legislative committees with jurisdiction over health and human services policy and
 319.10 finance by October 15, 2023, on recommendations for crisis respite, caregiver respite for
 319.11 older adults, crisis stabilization, and community residential short- and long-term stay options.
 319.12 The report must identify sustainable rate reimbursement methodologies for recommended
 319.13 modifications to safety net services. The report must include fiscal estimates and proposed
 319.14 legislation necessary to enact the report's recommendations.

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

319.16 **ARTICLE 13**

319.17 **DISABILITY SERVICES AND CONTINUING CARE FOR OLDER ADULTS**

319.18 Section 1. Minnesota Statutes 2020, section 144.0724, subdivision 4, is amended to read:

319.19 Subd. 4. **Resident assessment schedule.** (a) A facility must conduct and electronically
 319.20 submit to the ~~commissioner of health~~ federal database MDS assessments that conform with
 319.21 the assessment schedule defined by ~~Code of Federal Regulations, title 42, section 483.20,~~
 319.22 ~~and published by the United States Department of Health and Human Services, Centers for~~
 319.23 ~~Medicare and Medicaid Services, in the Long Term Care Facility Resident Assessment~~
 319.24 ~~Instrument User's Manual, version 3.0, and subsequent updates when or its successor issued~~
 319.25 by the Centers for Medicare and Medicaid Services. The commissioner of health may
 319.26 substitute successor manuals or question and answer documents published by the United
 319.27 States Department of Health and Human Services, Centers for Medicare and Medicaid
 319.28 Services, to replace or supplement the current version of the manual or document.

319.29 (b) The assessments required under the Omnibus Budget Reconciliation Act of 1987
 319.30 (OBRA) used to determine a case mix classification for reimbursement include the following:

319.31 (1) a new admission comprehensive assessment, which must have an assessment reference
 319.32 date (ARD) within 14 calendar days after admission, excluding readmissions;

320.1 (2) an annual comprehensive assessment, which must have an ~~assessment reference date~~
320.2 ~~(ARD)~~ ARD within 92 days of ~~the~~ a previous quarterly review assessment ~~and the~~ or a
320.3 previous comprehensive assessment, which must occur at least once every 366 days;

320.4 (3) a significant change in status comprehensive assessment, which must ~~be completed~~
320.5 have an ARD within 14 days ~~of the identification of~~ after the facility determines, or should
320.6 have determined, that there has been a significant change in the resident's physical or mental
320.7 condition, whether an improvement or a decline, and regardless of the amount of time since
320.8 the last significant change in status comprehensive assessment or quarterly review
320.9 assessment;

320.10 (4) ~~all~~ a quarterly ~~assessments~~ review assessment must have an ~~assessment reference~~
320.11 ~~date (ARD)~~ ARD within 92 days of the ARD of the previous quarterly review assessment
320.12 or a previous comprehensive assessment;

320.13 (5) any significant correction to a prior comprehensive assessment, if the assessment
320.14 being corrected is the current one being used for RUG classification; ~~and~~

320.15 (6) any significant correction to a prior quarterly review assessment, if the assessment
320.16 being corrected is the current one being used for RUG classification;

320.17 (7) a required significant change in status assessment when:

320.18 (i) all speech, occupational, and physical therapies have ended. The ARD of this
320.19 assessment must be set on day eight after all therapy services have ended; and

320.20 (ii) isolation for an infectious disease has ended. The ARD of this assessment must be
320.21 set on day 15 after isolation has ended; and

320.22 (8) any modifications to the most recent assessments under clauses (1) to (7).

320.23 (c) In addition to the assessments listed in paragraph (b), the assessments used to
320.24 determine nursing facility level of care include the following:

320.25 (1) preadmission screening completed under section 256.975, subdivisions 7a to 7c, by
320.26 the Senior LinkAge Line or other organization under contract with the Minnesota Board on
320.27 Aging; and

320.28 (2) a nursing facility level of care determination as provided for under section 256B.0911,
320.29 subdivision 4e, as part of a face-to-face long-term care consultation assessment completed
320.30 under section 256B.0911, by a county, tribe, or managed care organization under contract
320.31 with the Department of Human Services.

321.1 **EFFECTIVE DATE.** This section is effective July 1, 2021, and applies to all assessments
321.2 with an assessment reference date of July 1, 2021, or later.

321.3 Sec. 2. Minnesota Statutes 2020, section 144A.073, subdivision 2, is amended to read:

321.4 Subd. 2. **Request for proposals.** At the authorization by the legislature of additional
321.5 medical assistance expenditures for exceptions to the moratorium on nursing homes, the
321.6 commissioner shall publish in the State Register a request for proposals for nursing home
321.7 and certified boarding care home projects for conversion, relocation, renovation, replacement,
321.8 upgrading, or addition. The public notice of this funding and the request for proposals must
321.9 specify how the approval criteria will be prioritized by the commissioner. The notice must
321.10 describe the information that must accompany a request and state that proposals must be
321.11 submitted to the commissioner within 150 days of the date of publication. The notice must
321.12 include the amount of the legislative appropriation available for the additional costs to the
321.13 medical assistance program of projects approved under this section. If money is appropriated,
321.14 the commissioner shall initiate the application and review process described in this section
321.15 at least once each biennium. A second application and review process must occur if remaining
321.16 funds are either greater than \$300,000 or more than 50 percent of the baseline appropriation
321.17 for the biennium. Authorized funds may be awarded in full in the first review process of
321.18 the biennium. Appropriated funds not encumbered within a biennium shall carry forward
321.19 ~~to the following biennium.~~ To be considered for approval, a proposal must include the
321.20 following information:

321.21 (1) whether the request is for renovation, replacement, upgrading, conversion, addition,
321.22 or relocation;

321.23 (2) a description of the problems the project is designed to address;

321.24 (3) a description of the proposed project;

321.25 (4) an analysis of projected costs of the nursing facility proposed project, including:

321.26 (i) initial construction and remodeling costs;

321.27 (ii) site preparation costs;

321.28 (iii) equipment and technology costs;

321.29 (iv) financing costs, the current estimated long-term financing costs of the proposal,
321.30 which is to include details of any proposed funding mechanism already arranged or being
321.31 considered, including estimates of the amount and sources of money, reserves if required,

322.1 annual payments schedule, interest rates, length of term, closing costs and fees, insurance
322.2 costs, any completed marketing study or underwriting review; and

322.3 (v) estimated operating costs during the first two years after completion of the project;

322.4 (5) for proposals involving replacement of all or part of a facility, the proposed location
322.5 of the replacement facility and an estimate of the cost of addressing the problem through
322.6 renovation;

322.7 (6) for proposals involving renovation, an estimate of the cost of addressing the problem
322.8 through replacement;

322.9 (7) the proposed timetable for commencing construction and completing the project;

322.10 (8) a statement of any licensure or certification issues, such as certification survey
322.11 deficiencies;

322.12 (9) the proposed relocation plan for current residents if beds are to be closed according
322.13 to section 144A.161; and

322.14 (10) other information required by permanent rule of the commissioner of health in
322.15 accordance with subdivisions 4 and 8.

322.16 Sec. 3. Minnesota Statutes 2020, section 144A.073, is amended by adding a subdivision
322.17 to read:

322.18 Subd. 17. **Moratorium exception funding.** (a) During the biennium beginning July 1,
322.19 2021, and during each biennium thereafter, the commissioner of health may approve
322.20 moratorium exception projects under this section for which the full biennial state share of
322.21 medical assistance costs does not exceed \$4,000,000, plus any carryover of previous
322.22 appropriations for this purpose.

322.23 (b) For the purposes of this subdivision, "biennium" has the meaning given in section
322.24 16A.011, subdivision 6.

322.25 Sec. 4. Minnesota Statutes 2020, section 245A.02, is amended by adding a subdivision to
322.26 read:

322.27 Subd. 6f. **Family adult foster care home.** "Family adult foster care home" means an
322.28 adult foster care home:

322.29 (1) that is licensed by the Department of Human Services;

322.30 (2) that is the primary residence of the license holder; and

323.1 (3) in which the license holder is the primary caregiver.

323.2 Sec. 5. Minnesota Statutes 2020, section 245A.03, subdivision 7, is amended to read:

323.3 Subd. 7. **Licensing moratorium.** (a) The commissioner shall not issue an initial license
323.4 for child foster care licensed under Minnesota Rules, parts 2960.3000 to 2960.3340, or adult
323.5 foster care licensed under Minnesota Rules, parts 9555.5105 to 9555.6265, under this chapter
323.6 for a physical location that will not be the primary residence of the license holder for the
323.7 entire period of licensure. If a family child foster care home or family adult foster care home
323.8 license is issued during this moratorium, and the license holder changes the license holder's
323.9 primary residence away from the physical location of the foster care license, the
323.10 commissioner shall revoke the license according to section 245A.07. The commissioner
323.11 shall not issue an initial license for a community residential setting licensed under chapter
323.12 245D. When approving an exception under this paragraph, the commissioner shall consider
323.13 the resource need determination process in paragraph (h), the availability of foster care
323.14 licensed beds in the geographic area in which the licensee seeks to operate, the results of a
323.15 person's choices during their annual assessment and service plan review, and the
323.16 recommendation of the local county board. The determination by the commissioner is final
323.17 and not subject to appeal. Exceptions to the moratorium include:

323.18 (1) foster care settings ~~that are required to be registered under chapter 144D~~ where at
323.19 least 80 percent of the residents are 55 years of age or older;

323.20 (2) foster care licenses replacing foster care licenses in existence on May 15, 2009, or
323.21 community residential setting licenses replacing adult foster care licenses in existence on
323.22 December 31, 2013, and determined to be needed by the commissioner under paragraph
323.23 (b);

323.24 (3) new foster care licenses or community residential setting licenses determined to be
323.25 needed by the commissioner under paragraph (b) for the closure of a nursing facility, ICF/DD,
323.26 or regional treatment center; restructuring of state-operated services that limits the capacity
323.27 of state-operated facilities; or allowing movement to the community for people who no
323.28 longer require the level of care provided in state-operated facilities as provided under section
323.29 256B.092, subdivision 13, or 256B.49, subdivision 24;

323.30 (4) new foster care licenses or community residential setting licenses determined to be
323.31 needed by the commissioner under paragraph (b) for persons requiring hospital level care;
323.32 ~~or~~

324.1 (5) new foster care licenses or community residential setting licenses for people receiving
324.2 services under chapter 245D and residing in an unlicensed setting before May 1, 2017, and
324.3 for which a license is required. This exception does not apply to people living in their own
324.4 home. For purposes of this clause, there is a presumption that a foster care or community
324.5 residential setting license is required for services provided to three or more people in a
324.6 dwelling unit when the setting is controlled by the provider. A license holder subject to this
324.7 exception may rebut the presumption that a license is required by seeking a reconsideration
324.8 of the commissioner's determination. The commissioner's disposition of a request for
324.9 reconsideration is final and not subject to appeal under chapter 14. The exception is available
324.10 until June 30, 2018. This exception is available when:

324.11 (i) the person's case manager provided the person with information about the choice of
324.12 service, service provider, and location of service, including in the person's home, to help
324.13 the person make an informed choice; and

324.14 (ii) the person's services provided in the licensed foster care or community residential
324.15 setting are less than or equal to the cost of the person's services delivered in the unlicensed
324.16 setting as determined by the lead agency; or

324.17 (6) new foster care licenses or community residential setting licenses for people receiving
324.18 customized living or 24-hour customized living services under the brain injury or community
324.19 access for disability inclusion waiver plans under section 256B.49 and residing in the
324.20 customized living setting before July 1, 2022, for which a license is required. A customized
324.21 living service provider subject to this exception may rebut the presumption that a license
324.22 is required by seeking a reconsideration of the commissioner's determination. The
324.23 commissioner's disposition of a request for reconsideration is final and not subject to appeal
324.24 under chapter 14. The exception is available until June 30, 2023. This exception is available
324.25 when:

324.26 (i) the person's customized living services are provided in a customized living service
324.27 setting serving four or fewer people under the brain injury or community access for disability
324.28 inclusion waiver plans under section 256B.49 in a single-family home operational on or
324.29 before June 30, 2021. Operational is defined in section 256B.49, subdivision 28;

324.30 (ii) the person's case manager provided the person with information about the choice of
324.31 service, service provider, and location of service, including in the person's home, to help
324.32 the person make an informed choice; and

325.1 (iii) the person's services provided in the licensed foster care or community residential
325.2 setting are less than or equal to the cost of the person's services delivered in the customized
325.3 living setting as determined by the lead agency.

325.4 (b) The commissioner shall determine the need for newly licensed foster care homes or
325.5 community residential settings as defined under this subdivision. As part of the determination,
325.6 the commissioner shall consider the availability of foster care capacity in the area in which
325.7 the licensee seeks to operate, and the recommendation of the local county board. The
325.8 determination by the commissioner must be final. A determination of need is not required
325.9 for a change in ownership at the same address.

325.10 (c) When an adult resident served by the program moves out of a foster home that is not
325.11 the primary residence of the license holder according to section 256B.49, subdivision 15,
325.12 paragraph (f), or the adult community residential setting, the county shall immediately
325.13 inform the Department of Human Services Licensing Division. The department may decrease
325.14 the statewide licensed capacity for adult foster care settings.

325.15 (d) Residential settings that would otherwise be subject to the decreased license capacity
325.16 established in paragraph (c) shall be exempt if the license holder's beds are occupied by
325.17 residents whose primary diagnosis is mental illness and the license holder is certified under
325.18 the requirements in subdivision 6a or section 245D.33.

325.19 (e) A resource need determination process, managed at the state level, using the available
325.20 reports required by section 144A.351, and other data and information shall be used to
325.21 determine where the reduced capacity determined under section 256B.493 will be
325.22 implemented. The commissioner shall consult with the stakeholders described in section
325.23 144A.351, and employ a variety of methods to improve the state's capacity to meet the
325.24 informed decisions of those people who want to move out of corporate foster care or
325.25 community residential settings, long-term service needs within budgetary limits, including
325.26 seeking proposals from service providers or lead agencies to change service type, capacity,
325.27 or location to improve services, increase the independence of residents, and better meet
325.28 needs identified by the long-term services and supports reports and statewide data and
325.29 information.

325.30 (f) At the time of application and reapplication for licensure, the applicant and the license
325.31 holder that are subject to the moratorium or an exclusion established in paragraph (a) are
325.32 required to inform the commissioner whether the physical location where the foster care
325.33 will be provided is or will be the primary residence of the license holder for the entire period
325.34 of licensure. If the primary residence of the applicant or license holder changes, the applicant

326.1 or license holder must notify the commissioner immediately. The commissioner shall print
326.2 on the foster care license certificate whether or not the physical location is the primary
326.3 residence of the license holder.

326.4 (g) License holders of foster care homes identified under paragraph (f) that are not the
326.5 primary residence of the license holder and that also provide services in the foster care home
326.6 that are covered by a federally approved home and community-based services waiver, as
326.7 authorized under chapter 256S or section 256B.092 or 256B.49, must inform the human
326.8 services licensing division that the license holder provides or intends to provide these
326.9 waiver-funded services.

326.10 (h) The commissioner may adjust capacity to address needs identified in section
326.11 144A.351. Under this authority, the commissioner may approve new licensed settings or
326.12 delicense existing settings. Delicensing of settings will be accomplished through a process
326.13 identified in section 256B.493. Annually, by August 1, the commissioner shall provide
326.14 information and data on capacity of licensed long-term services and supports, actions taken
326.15 under the subdivision to manage statewide long-term services and supports resources, and
326.16 any recommendations for change to the legislative committees with jurisdiction over the
326.17 health and human services budget.

326.18 (i) The commissioner must notify a license holder when its corporate foster care or
326.19 community residential setting licensed beds are reduced under this section. The notice of
326.20 reduction of licensed beds must be in writing and delivered to the license holder by certified
326.21 mail or personal service. The notice must state why the licensed beds are reduced and must
326.22 inform the license holder of its right to request reconsideration by the commissioner. The
326.23 license holder's request for reconsideration must be in writing. If mailed, the request for
326.24 reconsideration must be postmarked and sent to the commissioner within 20 calendar days
326.25 after the license holder's receipt of the notice of reduction of licensed beds. If a request for
326.26 reconsideration is made by personal service, it must be received by the commissioner within
326.27 20 calendar days after the license holder's receipt of the notice of reduction of licensed beds.

326.28 (j) The commissioner shall not issue an initial license for children's residential treatment
326.29 services licensed under Minnesota Rules, parts 2960.0580 to 2960.0700, under this chapter
326.30 for a program that Centers for Medicare and Medicaid Services would consider an institution
326.31 for mental diseases. Facilities that serve only private pay clients are exempt from the
326.32 moratorium described in this paragraph. The commissioner has the authority to manage
326.33 existing statewide capacity for children's residential treatment services subject to the
326.34 moratorium under this paragraph and may issue an initial license for such facilities if the

327.1 initial license would not increase the statewide capacity for children's residential treatment
327.2 services subject to the moratorium under this paragraph.

327.3 **EFFECTIVE DATE.** This section is effective August 1, 2021, except for paragraph
327.4 (a), clause (6), which is effective July 1, 2022.

327.5 Sec. 6. Minnesota Statutes 2020, section 256.476, subdivision 11, is amended to read:

327.6 Subd. 11. **Consumer support grant program after July 1, 2001.** Effective July 1,
327.7 2001, the commissioner shall allocate consumer support grant resources to serve additional
327.8 individuals based on a review of Medicaid authorization and payment information of persons
327.9 eligible for a consumer support grant from the most recent fiscal year. The commissioner
327.10 shall use the following methodology to calculate maximum allowable monthly consumer
327.11 support grant levels:

327.12 (1) For individuals whose program of origination is medical assistance home care under
327.13 sections 256B.0651, 256B.0653, and 256B.0654, the maximum allowable monthly grant
327.14 levels are calculated by:

327.15 (i) determining the service authorization for each individual based on the individual's
327.16 home care assessment;

327.17 (ii) calculating the overall ratio of actual payments to service authorizations by program;

327.18 (iii) applying the overall ratio to 50 percent of the service authorization level of each
327.19 home care rating; and

327.20 (iv) adjusting the result for any authorized rate changes provided by the legislature.

327.21 (2) The monthly consumer support grant level for individuals who are eligible for ten
327.22 or more hours of personal care assistance services or community first services and supports
327.23 per day shall be increased by 7.5 percent of the monthly grant amount calculated under
327.24 clause (1) when the individual uses direct support services provided by a worker who has
327.25 completed training as identified in section 256B.0659, subdivision 11, paragraph (d), or
327.26 section 256B.85, subdivision 16, paragraph (e).

327.27 ~~(2)~~ (3) The commissioner shall ensure the methodology is consistent with the home care
327.28 programs.

327.29 **EFFECTIVE DATE.** This section is effective January 1, 2022, or upon federal approval,
327.30 whichever occurs later. The commissioner of human services shall notify the revisor of
327.31 statutes when federal approval is obtained.

328.1 Sec. 7. Minnesota Statutes 2020, section 256.477, is amended to read:

328.2 **256.477 SELF-ADVOCACY GRANTS.**

328.3 Subdivision 1. The Rick Cardenas Statewide Self-Advocacy Network. (a) The
328.4 commissioner shall make available a grant for the purposes of establishing and maintaining
328.5 ~~a~~ the Rick Cardenas Statewide Self-Advocacy Network for persons with intellectual and
328.6 developmental disabilities. The Rick Cardenas Statewide Self-Advocacy Network shall:

328.7 (1) ensure that persons with intellectual and developmental disabilities are informed of
328.8 their rights in employment, housing, transportation, voting, government policy, and other
328.9 issues pertinent to the intellectual and developmental disability community;

328.10 (2) provide public education and awareness of the civil and human rights issues persons
328.11 with intellectual and developmental disabilities face;

328.12 (3) provide funds, technical assistance, and other resources for self-advocacy groups
328.13 across the state; ~~and~~

328.14 (4) organize systems of communications to facilitate an exchange of information between
328.15 self-advocacy groups;

328.16 (5) train and support the activities of a statewide network of peer-to-peer mentors for
328.17 persons with developmental disabilities focused on building awareness among people with
328.18 developmental disabilities of service options; assisting people with developmental disabilities
328.19 choose service options; and developing the advocacy skills of people with developmental
328.20 disabilities necessary for them to move toward full inclusion in community life, including
328.21 by developing and delivering a curriculum to support the peer-to-peer network;

328.22 (6) provide outreach activities, including statewide conferences and disability networking
328.23 opportunities, focused on self-advocacy, informed choice, and community engagement
328.24 skills; and

328.25 (7) provide an annual leadership program for persons with intellectual and developmental
328.26 disabilities.

328.27 (b) An organization receiving a grant under paragraph (a) must be an organization
328.28 governed by people with intellectual and developmental disabilities that administers a
328.29 statewide network of disability groups in order to maintain and promote self-advocacy
328.30 services and supports for persons with intellectual and developmental disabilities throughout
328.31 the state.

329.1 (c) An organization receiving a grant under this subdivision may use a portion of grant
329.2 revenue determined by the commissioner for administration and general operating costs.

329.3 Subd. 2. **Subgrants for outreach to persons in institutional settings.** The commissioner
329.4 shall make available to an organization described under subdivision 1 a grant for subgrants
329.5 to organizations in Minnesota to conduct outreach to persons working and living in
329.6 institutional settings to provide education and information about community options. Subgrant
329.7 funds must be used to deliver peer-led skill training sessions in six regions of the state to
329.8 help persons with intellectual and developmental disabilities understand community service
329.9 options related to:

329.10 (1) housing;

329.11 (2) employment;

329.12 (3) education;

329.13 (4) transportation;

329.14 (5) emerging service reform initiatives contained in the state's Olmstead plan; the
329.15 Workforce Innovation and Opportunity Act, Public Law 113-128; and federal home and
329.16 community-based services regulations; and

329.17 (6) connecting with individuals who can help persons with intellectual and developmental
329.18 disabilities make an informed choice and plan for a transition in services.

329.19 **Sec. 8. [256.4772] MINNESOTA INCLUSION INITIATIVE GRANT.**

329.20 Subdivision 1. **Grant program established.** The commissioner of human services shall
329.21 establish the Minnesota inclusion initiative grant program to encourage self-advocacy groups
329.22 of persons with intellectual and developmental disabilities to develop and organize projects
329.23 that increase the inclusion of persons with intellectual and developmental disabilities in the
329.24 community, improve community integration outcomes, educate decision-makers and the
329.25 public about persons with intellectual and developmental disabilities, including the systemic
329.26 barriers that prevent them from being included in the community, and to advocate for changes
329.27 that increase access to formal and informal supports and services necessary for greater
329.28 inclusion of persons with intellectual and developmental disabilities in the community.

329.29 Subd. 2. **Administration.** The commissioner of human services, as authorized by section
329.30 256.01, subdivision 2, paragraph (a), clause (6), shall issue a request for proposals to contract
329.31 with a public or private entity to (1) serve as a fiscal host for the money appropriated for
329.32 the purposes described in this section, and (2) develop guidelines, criteria, and procedures

330.1 for awarding grants. The fiscal host shall establish an advisory committee consisting of
330.2 self-advocates, nonprofit advocacy organizations, and Department of Human Services staff
330.3 to review applications and award grants under this section.

330.4 Subd. 3. **Applications.** (a) Entities seeking grants under this section shall apply to the
330.5 advisory committee of the fiscal host under contract with the commissioner. The grant
330.6 applicant must include a description of the project that the applicant is proposing, the amount
330.7 of money that the applicant is seeking, and a proposed budget describing how the applicant
330.8 will spend the grant money.

330.9 (b) The advisory committee may award grants to applicants only for projects that meet
330.10 the requirements of subdivision 4.

330.11 Subd. 4. **Use of grant money.** Projects funded by grant money must have person-centered
330.12 goals, call attention to issues that limit inclusion of persons with intellectual and
330.13 developmental disabilities, address barriers to inclusion that persons with intellectual and
330.14 developmental disabilities face in their communities, or increase the inclusion of persons
330.15 with intellectual and developmental disabilities in their communities. Applicants may
330.16 propose strategies to increase inclusion of persons with intellectual and developmental
330.17 disabilities in their communities by:

330.18 (1) decreasing barriers to workforce participation experienced by persons with intellectual
330.19 and developmental disabilities;

330.20 (2) overcoming barriers to accessible and reliable transportation options for persons with
330.21 intellectual and developmental disabilities;

330.22 (3) identifying and addressing barriers to voting experienced by persons with intellectual
330.23 and developmental disabilities;

330.24 (4) advocating for increased accessible housing for persons with intellectual and
330.25 developmental disabilities;

330.26 (5) working with governmental agencies or businesses on accessibility issues under the
330.27 Americans with Disabilities Act;

330.28 (6) increasing collaboration between self-advocacy groups and other organizations to
330.29 effectively address systemic issues that impact persons with intellectual and developmental
330.30 disabilities;

330.31 (7) increasing capacity for inclusion in a community; or

331.1 (8) providing public education and awareness of the civil and human rights of persons
331.2 with intellectual and developmental disabilities.

331.3 Subd. 5. **Reports.** (a) Grant recipients shall provide the advisory committee with a report
331.4 about the activities funded by the grant program in a format and at a time specified by the
331.5 advisory committee. The advisory committee shall require grant recipients to include in the
331.6 grant recipient's report at least the information necessary for the advisory committee to meet
331.7 the advisory committee's obligation under paragraph (b).

331.8 (b) The advisory committee shall provide the commissioner with a report that describes
331.9 all of the activities and outcomes of projects funded by the grant program in a format and
331.10 at a time determined by the commissioner.

331.11 **EFFECTIVE DATE.** This section is effective upon federal approval of Minnesota's
331.12 initial state spending plan as described in guidance issued by the Centers for Medicare and
331.13 Medicaid Services for implementation of section 9817 of the federal American Rescue Plan
331.14 Act of 2021.

331.15 Sec. 9. **[256.4776] PARENT-TO-PARENT PEER SUPPORT.**

331.16 (a) The commissioner shall make a grant to an alliance member of Parent to Parent USA
331.17 to support the alliance member's parent-to-parent peer support program for families of
331.18 children with any type of disability or special health care needs. An eligible alliance member
331.19 must have an established parent-to-parent peer support program that is statewide and
331.20 represents diverse cultures and geographic locations, that conducts outreach and provides
331.21 individualized support to any parent or guardian of a child with a disability or special health
331.22 care need, including newly identified parents of such a child or parents experiencing
331.23 transitions or changes in their child's care, and that implements best practices for peer-to-peer
331.24 support, including providing support from trained parent staff and volunteer support parents
331.25 who have received Parent to Parent USA's specialized parent-to-parent peer support training.

331.26 (b) Grant recipients must use grant money for the purposes specified in paragraph (a).

331.27 (c) For purposes of this section, "special health care needs" means disabilities, chronic
331.28 illnesses or conditions, health-related educational or behavioral problems, or the risk of
331.29 developing disabilities, conditions, illnesses, or problems.

331.30 (d) Grant recipients must report to the commissioner of human services annually by
331.31 January 15 about the services and programs funded by this grant. The report must include
331.32 measurable outcomes from the previous year, including the number of families served by

332.1 the organization's parent-to-parent programs and the number of volunteer support parents
332.2 trained by the organization's parent-to-parent programs.

332.3 **EFFECTIVE DATE.** This section is effective upon federal approval of Minnesota's
332.4 initial state spending plan as described in guidance issued by the Centers for Medicare and
332.5 Medicaid Services for implementation of section 9817 of the federal American Rescue Plan
332.6 Act of 2021.

332.7 Sec. 10. Minnesota Statutes 2020, section 256.479, is amended to read:

332.8 **256.479 CUSTOMIZED LIVING QUALITY IMPROVEMENT GRANTS.**

332.9 (a) The commissioner of human services shall develop incentive-based grants to providers
332.10 of customized living services under the brain injury, community access for disability
332.11 inclusion, and elderly waivers for achieving outcomes specified in a contract. The
332.12 commissioner may solicit proposals from providers and implement those that, on a
332.13 competitive basis, best meet the state's policy objectives. ~~Until June 30, 2021, the~~
332.14 ~~commissioner shall give preference to providers that serve at least 75 percent elderly waiver~~
332.15 ~~participants.~~

332.16 (b) ~~Effective July 1, 2021, To be eligible for a grant under this section, a provider must~~
332.17 ~~serve at least 75 waiver participants, and at least 75 percent of the clients served by the~~
332.18 ~~provider must be waiver participants. For providers of customized living services under the~~
332.19 ~~brain injury or community access for disability inclusion, the required 75 waiver participants~~
332.20 ~~must reside at multiple locations each with six or more residents. The commissioner shall~~
332.21 ~~give greater preference to those providers serving a higher percentage of waiver participants.~~

332.22 (c) The commissioner shall limit expenditures under this subdivision to the amount
332.23 appropriated for this purpose.

332.24 (d) In establishing the specified outcomes and related criteria, the commissioner shall
332.25 consider the following state policy objectives:

332.26 (1) provide more efficient, higher quality services;

332.27 (2) encourage home and community-based services providers to innovate;

332.28 (3) equip home and community-based services providers with organizational tools and
332.29 expertise to improve their quality;

332.30 (4) incentivize home and community-based services providers to invest in better services;
332.31 and

332.32 (5) disseminate successful performance improvement strategies statewide.

333.1 Sec. 11. Minnesota Statutes 2020, section 256B.0653, is amended by adding a subdivision
333.2 to read:

333.3 Subd. 8. **Payment rates for home health agency services.** The commissioner shall
333.4 annually adjust payments for home health agency services to reflect the change in the federal
333.5 Centers for Medicare and Medicaid Services Home Health Agency Market Basket. The
333.6 commissioner shall use the indices as forecasted for the midpoint of the prior rate year to
333.7 the midpoint of the current rate year.

333.8 **EFFECTIVE DATE.** This section is effective July 1, 2021, or upon federal approval,
333.9 whichever occurs later, for services delivered on or after January 1, 2022. The commissioner
333.10 of human services shall notify the revisor of statutes when federal approval is obtained.

333.11 Sec. 12. Minnesota Statutes 2020, section 256B.0654, is amended by adding a subdivision
333.12 to read:

333.13 Subd. 5. **Payment rates for home care nursing services.** The commissioner shall
333.14 annually adjust payments for home care nursing services to reflect the change in the federal
333.15 Centers for Medicare and Medicaid Services Home Health Agency Market Basket. The
333.16 commissioner shall use the indices as forecasted for the midpoint of the prior rate year to
333.17 the midpoint of the current rate year.

333.18 **EFFECTIVE DATE.** This section is effective July 1, 2021, or upon federal approval,
333.19 whichever occurs later, for services delivered on or after January 1, 2022. The commissioner
333.20 of human services shall notify the revisor of statutes when federal approval is obtained.

333.21 Sec. 13. Minnesota Statutes 2020, section 256B.0659, subdivision 11, is amended to read:

333.22 **Subd. 11. Personal care assistant; requirements.** (a) A personal care assistant must
333.23 meet the following requirements:

333.24 (1) be at least 18 years of age with the exception of persons who are 16 or 17 years of
333.25 age with these additional requirements:

333.26 (i) supervision by a qualified professional every 60 days; and

333.27 (ii) employment by only one personal care assistance provider agency responsible for
333.28 compliance with current labor laws;

333.29 (2) be employed by a personal care assistance provider agency;

333.30 (3) enroll with the department as a personal care assistant after clearing a background
333.31 study. Except as provided in subdivision 11a, before a personal care assistant provides

334.1 services, the personal care assistance provider agency must initiate a background study on
334.2 the personal care assistant under chapter 245C, and the personal care assistance provider
334.3 agency must have received a notice from the commissioner that the personal care assistant
334.4 is:

334.5 (i) not disqualified under section 245C.14; or

334.6 (ii) disqualified, but the personal care assistant has received a set aside of the
334.7 disqualification under section 245C.22;

334.8 (4) be able to effectively communicate with the recipient and personal care assistance
334.9 provider agency;

334.10 (5) be able to provide covered personal care assistance services according to the recipient's
334.11 personal care assistance care plan, respond appropriately to recipient needs, and report
334.12 changes in the recipient's condition to the supervising qualified professional, physician, or
334.13 advanced practice registered nurse;

334.14 (6) not be a consumer of personal care assistance services;

334.15 (7) maintain daily written records including, but not limited to, time sheets under
334.16 subdivision 12;

334.17 (8) effective January 1, 2010, complete standardized training as determined by the
334.18 commissioner before completing enrollment. The training must be available in languages
334.19 other than English and to those who need accommodations due to disabilities. Personal care
334.20 assistant training must include successful completion of the following training components:
334.21 basic first aid, vulnerable adult, child maltreatment, OSHA universal precautions, basic
334.22 roles and responsibilities of personal care assistants including information about assistance
334.23 with lifting and transfers for recipients, emergency preparedness, orientation to positive
334.24 behavioral practices, fraud issues, and completion of time sheets. Upon completion of the
334.25 training components, the personal care assistant must demonstrate the competency to provide
334.26 assistance to recipients;

334.27 (9) complete training and orientation on the needs of the recipient; and

334.28 (10) be limited to providing and being paid for up to 310 hours per month of personal
334.29 care assistance services regardless of the number of recipients being served or the number
334.30 of personal care assistance provider agencies enrolled with. The number of hours worked
334.31 per day shall not be disallowed by the department unless in violation of the law.

334.32 (b) A legal guardian may be a personal care assistant if the guardian is not being paid
334.33 for the guardian services and meets the criteria for personal care assistants in paragraph (a).

335.1 (c) Persons who do not qualify as a personal care assistant include parents, stepparents,
335.2 and legal guardians of minors; spouses; paid legal guardians of adults; family foster care
335.3 providers, except as otherwise allowed in section 256B.0625, subdivision 19a; and staff of
335.4 a residential setting.

335.5 (d) Personal care assistance services qualify for the enhanced rate described in subdivision
335.6 17a if the personal care assistant providing the services:

335.7 (1) provides covered services to a recipient who qualifies for ~~12~~ ten or more hours per
335.8 day of personal care assistance services; and

335.9 (2) satisfies the current requirements of Medicare for training and competency or
335.10 competency evaluation of home health aides or nursing assistants, as provided in the Code
335.11 of Federal Regulations, title 42, section 483.151 or 484.36, or alternative state-approved
335.12 training or competency requirements.

335.13 **EFFECTIVE DATE.** This section is effective January 1, 2022, or upon federal approval,
335.14 whichever occurs later. The commissioner shall notify the revisor of statutes when federal
335.15 approval is obtained.

335.16 Sec. 14. Minnesota Statutes 2020, section 256B.0659, subdivision 17a, is amended to
335.17 read:

335.18 Subd. 17a. **Enhanced rate.** An enhanced rate of 107.5 percent of the rate paid for
335.19 personal care assistance services shall be paid for services provided to persons who qualify
335.20 for ~~12~~ ten or more hours of personal care assistance services per day when provided by a
335.21 personal care assistant who meets the requirements of subdivision 11, paragraph (d). ~~The~~
335.22 ~~enhanced rate for personal care assistance services includes, and is not in addition to, any~~
335.23 ~~rate adjustments implemented by the commissioner on July 1, 2019, to comply with the~~
335.24 ~~terms of a collective bargaining agreement between the state of Minnesota and an exclusive~~
335.25 ~~representative of individual providers under section 179A.54, that provides for wage increases~~
335.26 ~~for individual providers who serve participants assessed to need 12 or more hours of personal~~
335.27 ~~care assistance services per day. Any change in the eligibility criteria for the enhanced rate~~
335.28 for personal care assistance services as described in this subdivision and referenced in
335.29 subdivision 11, paragraph (d), does not constitute a change in a term or condition for
335.30 individual providers as defined in section 256B.0711, and is not subject to the state's
335.31 obligation to meet and negotiate under chapter 179A.

336.1 **EFFECTIVE DATE.** This section is effective January 1, 2022, or upon federal approval,
336.2 whichever occurs later. The commissioner shall notify the revisor of statutes when federal
336.3 approval is obtained.

336.4 Sec. 15. Minnesota Statutes 2020, section 256B.0911, subdivision 1a, is amended to read:

336.5 Subd. 1a. **Definitions.** For purposes of this section, the following definitions apply:

336.6 (a) Until additional requirements apply under paragraph (b), "long-term care consultation
336.7 services" means:

336.8 (1) intake for and access to assistance in identifying services needed to maintain an
336.9 individual in the most inclusive environment;

336.10 (2) providing recommendations for and referrals to cost-effective community services
336.11 that are available to the individual;

336.12 (3) development of an individual's person-centered community support plan;

336.13 (4) providing information regarding eligibility for Minnesota health care programs;

336.14 (5) face-to-face long-term care consultation assessments, which may be completed in a
336.15 hospital, nursing facility, intermediate care facility for persons with developmental disabilities
336.16 (ICF/DDs), regional treatment centers, or the person's current or planned residence;

336.17 (6) determination of home and community-based waiver and other service eligibility as
336.18 required under chapter 256S and sections 256B.0913, 256B.092, and 256B.49, including
336.19 level of care determination for individuals who need an institutional level of care as
336.20 determined under subdivision 4e, based on a long-term care consultation assessment and
336.21 community support plan development, appropriate referrals to obtain necessary diagnostic
336.22 information, and including an eligibility determination for consumer-directed community
336.23 supports;

336.24 (7) providing recommendations for institutional placement when there are no
336.25 cost-effective community services available;

336.26 (8) providing access to assistance to transition people back to community settings after
336.27 institutional admission;

336.28 (9) providing information about competitive employment, with or without supports, for
336.29 school-age youth and working-age adults and referrals to the Disability Hub and Disability
336.30 Benefits 101 to ensure that an informed choice about competitive employment can be made.
336.31 For the purposes of this subdivision, "competitive employment" means work in the
336.32 competitive labor market that is performed on a full-time or part-time basis in an integrated

337.1 setting, and for which an individual is compensated at or above the minimum wage, but not
337.2 less than the customary wage and level of benefits paid by the employer for the same or
337.3 similar work performed by individuals without disabilities;

337.4 (10) providing information about independent living to ensure that an informed choice
337.5 about independent living can be made; and

337.6 (11) providing information about self-directed services and supports, including
337.7 self-directed funding options, to ensure that an informed choice about self-directed options
337.8 can be made.

337.9 (b) Upon statewide implementation of lead agency requirements in subdivisions 2b, 2c,
337.10 and 3a, "long-term care consultation services" also means:

337.11 (1) service eligibility determination for the following state plan services:

337.12 (i) personal care assistance services under section 256B.0625, subdivisions 19a and 19c;

337.13 (ii) consumer support grants under section 256.476; or

337.14 (iii) community first services and supports under section 256B.85;

337.15 (2) notwithstanding provisions in Minnesota Rules, parts 9525.0004 to 9525.0024,
337.16 gaining access to:

337.17 (i) relocation targeted case management services available under section 256B.0621,
337.18 subdivision 2, clause (4);

337.19 (ii) case management services targeted to vulnerable adults or developmental disabilities
337.20 under section 256B.0924; and

337.21 (iii) case management services targeted to people with developmental disabilities under
337.22 Minnesota Rules, part 9525.0016;

337.23 (3) determination of eligibility for semi-independent living services under section
337.24 252.275; and

337.25 (4) obtaining necessary diagnostic information to determine eligibility under clauses (2)
337.26 and (3).

337.27 (c) "Long-term care options counseling" means the services provided by sections 256.01,
337.28 subdivision 24, and 256.975, subdivision 7, and also includes telephone assistance and
337.29 follow up once a long-term care consultation assessment has been completed.

337.30 (d) "Minnesota health care programs" means the medical assistance program under this
337.31 chapter and the alternative care program under section 256B.0913.

338.1 (e) "Lead agencies" means counties administering or tribes and health plans under
338.2 contract with the commissioner to administer long-term care consultation services.

338.3 (f) "Person-centered planning" is a process that includes the active participation of a
338.4 person in the planning of the person's services, including in making meaningful and informed
338.5 choices about the person's own goals, talents, and objectives, as well as making meaningful
338.6 and informed choices about the services the person receives, the settings in which the person
338.7 receives the services, and the setting in which the person lives.

338.8 (g) "Informed choice" ~~means a voluntary choice of services, settings, living arrangement,~~
338.9 ~~and work by a person from all available service and setting options based on accurate and~~
338.10 ~~complete information concerning all available service and setting options and concerning~~
338.11 ~~the person's own preferences, abilities, goals, and objectives. In order for a person to make~~
338.12 ~~an informed choice, all available options must be developed and presented to the person in~~
338.13 ~~a way the person can understand to empower the person to make fully informed choices~~
338.14 has the meaning given in section 256B.4905, subdivision 1a.

338.15 (h) "Available service and setting options" or "available options," with respect to the
338.16 home and community-based waivers under chapter 256S and sections 256B.092 and 256B.49,
338.17 means all services and settings defined under the waiver plan for which a waiver applicant
338.18 or waiver participant is eligible.

338.19 (i) "Independent living" means living in a setting that is not controlled by a provider.

338.20 Sec. 16. Minnesota Statutes 2020, section 256B.092, subdivision 4, is amended to read:

338.21 Subd. 4. **Home and community-based services for developmental disabilities.** (a)
338.22 The commissioner shall make payments to approved vendors participating in the medical
338.23 assistance program to pay costs of providing home and community-based services, including
338.24 case management service activities provided as an approved home and community-based
338.25 service, to medical assistance eligible persons with developmental disabilities who have
338.26 been screened under subdivision 7 and according to federal requirements. Federal
338.27 requirements include those services and limitations included in the federally approved
338.28 application for home and community-based services for persons with developmental
338.29 disabilities and subsequent amendments.

338.30 (b) ~~Effective July 1, 1995, contingent upon federal approval and state appropriations~~
338.31 ~~made available for this purpose, and in conjunction with Laws 1995, chapter 207, article 8,~~
338.32 ~~section 40, the commissioner of human services shall allocate resources to county agencies~~
338.33 ~~for home and community-based waived services for persons with developmental disabilities~~

339.1 ~~authorized but not receiving those services as of June 30, 1995, based upon the average~~
339.2 ~~resource need of persons with similar functional characteristics. To ensure service continuity~~
339.3 ~~for service recipients receiving home and community-based waived services for persons~~
339.4 ~~with developmental disabilities prior to July 1, 1995, the commissioner shall make available~~
339.5 ~~to the county of financial responsibility home and community-based waived services~~
339.6 ~~resources based upon fiscal year 1995 authorized levels.~~

339.7 ~~(c) Home and community-based resources for all recipients shall be managed by the~~
339.8 ~~county of financial responsibility within an allowable reimbursement average established~~
339.9 ~~for each county. Payments for home and community-based services provided to individual~~
339.10 ~~recipients shall not exceed amounts authorized by the county of financial responsibility.~~
339.11 ~~For specifically identified former residents of nursing facilities, the commissioner shall be~~
339.12 ~~responsible for authorizing payments and payment limits under the appropriate home and~~
339.13 ~~community-based service program. Payment is available under this subdivision only for~~
339.14 ~~persons who, if not provided these services, would require the level of care provided in an~~
339.15 ~~intermediate care facility for persons with developmental disabilities.~~

339.16 ~~(d) (b)~~ The commissioner shall comply with the requirements in the federally approved
339.17 transition plan for the home and community-based services waivers for the elderly authorized
339.18 under this section.

339.19 **EFFECTIVE DATE.** This section is effective July 1, 2024, or upon federal approval,
339.20 whichever is later. The commissioner of human services shall notify the revisor of statutes
339.21 when federal approval is obtained.

339.22 Sec. 17. Minnesota Statutes 2020, section 256B.092, subdivision 5, is amended to read:

339.23 Subd. 5. **Federal waivers.** (a) The commissioner shall apply for any federal waivers
339.24 necessary to secure, to the extent allowed by law, federal financial participation under United
339.25 States Code, title 42, sections 1396 et seq., as amended, for the provision of services to
339.26 persons who, in the absence of the services, would need the level of care provided in a
339.27 regional treatment center or a community intermediate care facility for persons with
339.28 developmental disabilities. The commissioner may seek amendments to the waivers or apply
339.29 for additional waivers under United States Code, title 42, sections 1396 et seq., as amended,
339.30 to contain costs. The commissioner shall ensure that payment for the cost of providing home
339.31 and community-based alternative services under the federal waiver plan shall not exceed
339.32 the cost of intermediate care services including day training and habilitation services that
339.33 would have been provided without the waived services.

340.1 The commissioner shall seek an amendment to the 1915c home and community-based
340.2 waiver to allow properly licensed adult foster care homes to provide residential services to
340.3 up to five individuals with developmental disabilities. If the amendment to the waiver is
340.4 approved, adult foster care providers that can accommodate five individuals shall increase
340.5 their capacity to five beds, provided the providers continue to meet all applicable licensing
340.6 requirements.

340.7 (b) The commissioner, in administering home and community-based waivers for persons
340.8 with developmental disabilities, shall ensure that day services for eligible persons are not
340.9 provided by the person's residential service provider, unless the person or the person's legal
340.10 representative is offered a choice of providers and agrees in writing to provision of day
340.11 services by the residential service provider. The coordinated service and support plan for
340.12 individuals who choose to have their residential service provider provide their day services
340.13 must describe how health, safety, protection, and habilitation needs will be met, including
340.14 how frequent and regular contact with persons other than the residential service provider
340.15 will occur. The coordinated service and support plan must address the provision of services
340.16 during the day outside the residence on weekdays.

340.17 (c) When a lead agency is evaluating denials, reductions, or terminations of home and
340.18 community-based services under section 256B.0916 for an individual, the lead agency shall
340.19 offer to meet with the individual or the individual's guardian in order to discuss the
340.20 prioritization of service needs within the coordinated service and support plan. The reduction
340.21 in the authorized services for an individual due to changes in funding for waived services
340.22 may not exceed the amount needed to ensure medically necessary services to meet the
340.23 individual's health, safety, and welfare.

340.24 (d) The commissioner shall seek federal approval to allow for the reconfiguration of the
340.25 1915(c) home and community-based waivers in this section, as authorized under section
340.26 1915(c) of the federal Social Security Act, to implement a two-waiver program structure.

340.27 (e) The transition to two disability home and community-based services waiver programs
340.28 must align with the independent living first policy under section 256B.4905. Unless
340.29 superseded by any other state or federal law, waiver eligibility criteria shall be the same for
340.30 each waiver. The waiver program that a person uses shall be determined by the support
340.31 planning process and whether the person chooses to live in a provider-controlled setting or
340.32 in the person's own home.

341.1 (f) Prior to July 1, 2024, the commissioner shall seek federal approval for the 1915(c)
341.2 home and community-based waivers in this section, as authorized under section 1915(c) of
341.3 the federal Social Security Act, to implement an individual resource allocation methodology.

341.4 **EFFECTIVE DATE.** This section is effective July 1, 2024, or 90 days after federal
341.5 approval, whichever is later. The commissioner of human services shall notify the revisor
341.6 of statutes when federal approval is obtained.

341.7 Sec. 18. Minnesota Statutes 2020, section 256B.092, is amended by adding a subdivision
341.8 to read:

341.9 Subd. 11a. **Residential support services criteria.** (a) For the purposes of this subdivision,
341.10 "residential support services" means the following residential support services reimbursed
341.11 under section 256B.4914: community residential services, customized living services, and
341.12 24-hour customized living services.

341.13 (b) In order to increase independent living options for people with disabilities and in
341.14 accordance with section 256B.4905, subdivisions 3 and 4, and consistent with section
341.15 245A.03, subdivision 7, the commissioner must establish and implement criteria to access
341.16 residential support services. The criteria for accessing residential support services must
341.17 prohibit the commissioner from authorizing residential support services unless at least all
341.18 of the following conditions are met:

341.19 (1) the individual has complex behavioral health or complex medical needs; and

341.20 (2) the individual's service planning team has considered all other available residential
341.21 service options and determined that those options are inappropriate to meet the individual's
341.22 support needs.

341.23 Nothing in this subdivision shall be construed as permitting the commissioner to establish
341.24 criteria prohibiting the authorization of residential support services for individuals described
341.25 in the statewide priorities established in subdivision 12, the transition populations in
341.26 subdivision 13, and the licensing moratorium exception criteria under section 245A.03,
341.27 subdivision 7, paragraph (a).

341.28 (c) Individuals with active service agreements for residential support services on the
341.29 date that the criteria for accessing residential support services become effective are exempt
341.30 from the requirements of this subdivision, and the exemption from the criteria for accessing
341.31 residential support services continues to apply for renewals of those service agreements.

342.1 **EFFECTIVE DATE.** This section is effective 90 days following federal approval. The
342.2 commissioner of human services shall notify the revisor of statutes when federal approval
342.3 is obtained.

342.4 Sec. 19. Minnesota Statutes 2020, section 256B.092, subdivision 12, is amended to read:

342.5 Subd. 12. ~~Waivered~~ **Waiver services statewide priorities.** (a) The commissioner shall
342.6 establish statewide priorities for individuals on the waiting list for developmental disabilities
342.7 (DD) waiver services, as of January 1, 2010. The statewide priorities must include, but are
342.8 not limited to, individuals who continue to have a need for waiver services after they have
342.9 maximized the use of state plan services and other funding resources, including natural
342.10 supports, prior to accessing waiver services, and who meet at least one of the following
342.11 criteria:

342.12 (1) no longer require the intensity of services provided where they are currently living;
342.13 or

342.14 (2) make a request to move from an institutional setting.

342.15 (b) After the priorities in paragraph (a) are met, priority must also be given to individuals
342.16 who meet at least one of the following criteria:

342.17 (1) have unstable living situations due to the age, incapacity, or sudden loss of the primary
342.18 caregivers;

342.19 (2) are moving from an institution due to bed closures;

342.20 (3) experience a sudden closure of their current living arrangement;

342.21 (4) require protection from confirmed abuse, neglect, or exploitation;

342.22 (5) experience a sudden change in need that can no longer be met through state plan
342.23 services or other funding resources alone; or

342.24 (6) meet other priorities established by the department.

342.25 (c) When allocating new enrollment resources to lead agencies, the commissioner must
342.26 take into consideration the number of individuals waiting who meet statewide priorities ~~and~~
342.27 ~~the lead agencies' current use of waiver funds and existing service options. The commissioner~~
342.28 ~~has the authority to transfer funds between counties, groups of counties, and tribes to~~
342.29 ~~accommodate statewide priorities and resource needs while accounting for a necessary base~~
342.30 ~~level reserve amount for each county, group of counties, and tribe.~~

343.1 **EFFECTIVE DATE.** This section is effective July 1, 2024, or 90 days after federal
343.2 approval, whichever is later. The commissioner of human services shall notify the revisor
343.3 of statutes when federal approval is obtained.

343.4 Sec. 20. Minnesota Statutes 2020, section 256B.097, is amended by adding a subdivision
343.5 to read:

343.6 Subd. 7. **Regional quality councils and systems improvement.** The commissioner of
343.7 human services shall maintain the regional quality councils initially established under
343.8 Minnesota Statutes 2020, section 256B.097, subdivision 4. The regional quality councils
343.9 shall:

343.10 (1) support efforts and initiatives that drive overall systems and social change to promote
343.11 inclusion of people who have disabilities in the state of Minnesota;

343.12 (2) improve person-centered outcomes in disability services; and

343.13 (3) identify or enhance quality of life indicators for people who have disabilities.

343.14 Sec. 21. Minnesota Statutes 2020, section 256B.097, is amended by adding a subdivision
343.15 to read:

343.16 Subd. 8. **Membership and staff.** (a) Regional quality councils shall be comprised of
343.17 key stakeholders including, but not limited to:

343.18 (1) individuals who have disabilities;

343.19 (2) family members of people who have disabilities;

343.20 (3) disability service providers;

343.21 (4) disability advocacy groups;

343.22 (5) lead agency staff; and

343.23 (6) staff of state agencies with jurisdiction over special education and disability services.

343.24 (b) Membership in a regional quality council must be representative of the communities
343.25 in which the council operates, with an emphasis on individuals with lived experience from
343.26 diverse racial and cultural backgrounds.

343.27 (c) Each regional quality council may hire staff to perform the duties assigned in
343.28 subdivision 9.

344.1 Sec. 22. Minnesota Statutes 2020, section 256B.097, is amended by adding a subdivision
344.2 to read:

344.3 Subd. 9. Duties. (a) Each regional quality council shall:

344.4 (1) identify issues and barriers that impede Minnesotans who have disabilities from
344.5 optimizing choice of home and community-based services;

344.6 (2) promote informed-decision making, autonomy, and self-direction;

344.7 (3) analyze and review quality outcomes and critical incident data, and immediately
344.8 report incidents of life safety concerns to the Department of Human Services Licensing
344.9 Division;

344.10 (4) inform a comprehensive system for effective incident reporting, investigation, analysis,
344.11 and follow-up;

344.12 (5) collaborate on projects and initiatives to advance priorities shared with state agencies,
344.13 lead agencies, educational institutions, advocacy organizations, community partners, and
344.14 other entities engaged in disability service improvements;

344.15 (6) establish partnerships and working relationships with individuals and groups in the
344.16 regions;

344.17 (7) identify and implement regional and statewide quality improvement projects;

344.18 (8) transform systems and drive social change in alignment with the disability rights and
344.19 disability justice movements identified by leaders who have disabilities;

344.20 (9) provide information and training programs for persons who have disabilities and
344.21 their families and legal representatives on formal and informal support options and quality
344.22 expectations;

344.23 (10) make recommendations to state agencies and other key decision-makers regarding
344.24 disability services and supports;

344.25 (11) submit every two years a report to legislative committees with jurisdiction over
344.26 disability services on the status, outcomes, improvement priorities, and activities in the
344.27 region;

344.28 (12) support people by advocating to resolve complaints between the counties, providers,
344.29 persons receiving services, and their families and legal representatives; and

345.1 (13) recruit, train, and assign duties to regional quality council teams, including council
345.2 members, interns, and volunteers, taking into account the skills necessary for the team
345.3 members to be successful in this work.

345.4 (b) Each regional quality council may engage in quality improvement initiatives related
345.5 to, but not limited to:

345.6 (1) the home and community-based services waiver programs for persons with
345.7 developmental disabilities under section 256B.092, subdivision 4, or section 256B.49,
345.8 including brain injuries and services for those persons who qualify for nursing facility level
345.9 of care or hospital facility level of care and any other services licensed under chapter 245D;

345.10 (2) home care services under section 256B.0651;

345.11 (3) family support grants under section 252.32;

345.12 (4) consumer support grants under section 256.476;

345.13 (5) semi-independent living services under section 252.275; and

345.14 (6) services provided through an intermediate care facility for persons with developmental
345.15 disabilities.

345.16 (c) Each regional quality council's work must be informed and directed by the needs
345.17 and desires of persons who have disabilities in the region in which the council operates.

345.18 Sec. 23. Minnesota Statutes 2020, section 256B.097, is amended by adding a subdivision
345.19 to read:

345.20 Subd. 10. **Compensation.** (a) A member of a regional quality council who does not
345.21 receive a salary or wages from an employer may be paid a per diem and reimbursed for
345.22 expenses related to the member's participation in efforts and initiatives described in
345.23 subdivision 9 in the same manner and in an amount not to exceed the amount authorized
345.24 by the commissioner's plan adopted under section 43A.18, subdivision 2.

345.25 (b) Regional quality councils may charge fees for their services.

345.26 Sec. 24. Minnesota Statutes 2020, section 256B.439, is amended by adding a subdivision
345.27 to read:

345.28 Subd. 3c. **Contact information for consumer surveys for home and community-based**
345.29 services. For purposes of conducting the consumer surveys under subdivision 3a, the
345.30 commissioner may request contact information of clients and associated key representatives.
345.31 Providers must furnish the contact information available to the provider and must provide

346.1 notice to clients and associated key representatives that their contact information has been
346.2 provided to the commissioner.

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

346.4 Sec. 25. Minnesota Statutes 2020, section 256B.439, is amended by adding a subdivision
346.5 to read:

346.6 **Subd. 3d. Resident experience survey and family survey for assisted living**
346.7 **facilities.** The commissioner shall develop and administer a resident experience survey for
346.8 assisted living facility residents and a family survey for families of assisted living facility
346.9 residents. Money appropriated to the commissioner to administer the resident experience
346.10 survey and family survey is available in either fiscal year of the biennium in which it is
346.11 appropriated.

346.12 Sec. 26. Minnesota Statutes 2020, section 256B.49, subdivision 11, is amended to read:

346.13 **Subd. 11. Authority.** (a) The commissioner is authorized to apply for home and
346.14 community-based service waivers, as authorized under section 1915(c) of the federal Social
346.15 Security Act to serve persons under the age of 65 who are determined to require the level
346.16 of care provided in a nursing home and persons who require the level of care provided in a
346.17 hospital. The commissioner shall apply for the home and community-based waivers in order
346.18 to:

- 346.19 (1) promote the support of persons with disabilities in the most integrated settings;
346.20 (2) expand the availability of services for persons who are eligible for medical assistance;
346.21 (3) promote cost-effective options to institutional care; and
346.22 (4) obtain federal financial participation.

346.23 (b) The provision of ~~waivered~~ waiver services to medical assistance recipients with
346.24 disabilities shall comply with the requirements outlined in the federally approved applications
346.25 for home and community-based services and subsequent amendments, including provision
346.26 of services according to a service plan designed to meet the needs of the individual. For
346.27 purposes of this section, the approved home and community-based application is considered
346.28 the necessary federal requirement.

346.29 (c) The commissioner shall provide interested persons serving on agency advisory
346.30 committees, task forces, the Centers for Independent Living, and others who request to be
346.31 on a list to receive, notice of, and an opportunity to comment on, at least 30 days before

347.1 any effective dates, (1) any substantive changes to the state's disability services program
347.2 manual, or (2) changes or amendments to the federally approved applications for home and
347.3 community-based waivers, prior to their submission to the federal Centers for Medicare
347.4 and Medicaid Services.

347.5 (d) The commissioner shall seek approval, as authorized under section 1915(c) of the
347.6 federal Social Security Act, to allow medical assistance eligibility under this section for
347.7 children under age 21 without deeming of parental income or assets.

347.8 (e) The commissioner shall seek approval, as authorized under section 1915(c) of the
347.9 Social Act, to allow medical assistance eligibility under this section for individuals under
347.10 age 65 without deeming the spouse's income or assets.

347.11 (f) The commissioner shall comply with the requirements in the federally approved
347.12 transition plan for the home and community-based services waivers authorized under this
347.13 section.

347.14 (g) The commissioner shall seek federal approval to allow for the reconfiguration of the
347.15 1915(c) home and community-based waivers in this section, as authorized under section
347.16 1915(c) of the federal Social Security Act, to implement a two-waiver program structure.

347.17 (h) The commissioner shall seek federal approval for the 1915(c) home and
347.18 community-based waivers in this section, as authorized under section 1915(c) of the federal
347.19 Social Security Act, to implement an individual resource allocation methodology.

347.20 **EFFECTIVE DATE.** This section is effective July 1, 2024, or 90 days after federal
347.21 approval, whichever is later. The commissioner of human services shall notify the revisor
347.22 of statutes when federal approval is obtained.

347.23 Sec. 27. Minnesota Statutes 2020, section 256B.49, subdivision 11a, is amended to read:

347.24 Subd. 11a. ~~Waivered~~ **Waiver services statewide priorities.** (a) The commissioner shall
347.25 establish statewide priorities for individuals on the waiting list for community alternative
347.26 care, community access for disability inclusion, and brain injury waiver services, as of
347.27 January 1, 2010. The statewide priorities must include, but are not limited to, individuals
347.28 who continue to have a need for waiver services after they have maximized the use of state
347.29 plan services and other funding resources, including natural supports, prior to accessing
347.30 waiver services, and who meet at least one of the following criteria:

347.31 (1) no longer require the intensity of services provided where they are currently living;
347.32 or

348.1 (2) make a request to move from an institutional setting.

348.2 (b) After the priorities in paragraph (a) are met, priority must also be given to individuals
348.3 who meet at least one of the following criteria:

348.4 (1) have unstable living situations due to the age, incapacity, or sudden loss of the primary
348.5 caregivers;

348.6 (2) are moving from an institution due to bed closures;

348.7 (3) experience a sudden closure of their current living arrangement;

348.8 (4) require protection from confirmed abuse, neglect, or exploitation;

348.9 (5) experience a sudden change in need that can no longer be met through state plan
348.10 services or other funding resources alone; or

348.11 (6) meet other priorities established by the department.

348.12 (c) When allocating new enrollment resources to lead agencies, the commissioner must
348.13 take into consideration the number of individuals waiting who meet statewide priorities ~~and~~
348.14 ~~the lead agencies' current use of waiver funds and existing service options. The commissioner~~
348.15 ~~has the authority to transfer funds between counties, groups of counties, and tribes to~~
348.16 ~~accommodate statewide priorities and resource needs while accounting for a necessary base~~
348.17 ~~level reserve amount for each county, group of counties, and tribe.~~

348.18 **EFFECTIVE DATE.** This section is effective July 1, 2024, or upon federal approval,
348.19 whichever is later. The commissioner of human services shall notify the revisor of statutes
348.20 when federal approval is obtained.

348.21 Sec. 28. Minnesota Statutes 2020, section 256B.49, subdivision 17, is amended to read:

348.22 Subd. 17. **Cost of services and supports.** (a) The commissioner shall ensure that the
348.23 average per capita expenditures estimated in any fiscal year for home and community-based
348.24 waiver recipients does not exceed the average per capita expenditures that would have been
348.25 made to provide institutional services for recipients in the absence of the waiver.

348.26 ~~(b) The commissioner shall implement on January 1, 2002, one or more aggregate,~~
348.27 ~~need-based methods for allocating to local agencies the home and community-based waived~~
348.28 ~~service resources available to support recipients with disabilities in need of the level of care~~
348.29 ~~provided in a nursing facility or a hospital. The commissioner shall allocate resources to~~
348.30 ~~single counties and county partnerships in a manner that reflects consideration of:~~

348.31 ~~(1) an incentive-based payment process for achieving outcomes;~~

349.1 ~~(2) the need for a state-level risk pool;~~

349.2 ~~(3) the need for retention of management responsibility at the state agency level; and~~

349.3 ~~(4) a phase-in strategy as appropriate.~~

349.4 ~~(e) Until the allocation methods described in paragraph (b) are implemented, the annual~~
349.5 ~~allowable reimbursement level of home and community-based waiver services shall be the~~
349.6 ~~greater of:~~

349.7 ~~(1) the statewide average payment amount which the recipient is assigned under the~~
349.8 ~~waiver reimbursement system in place on June 30, 2001, modified by the percentage of any~~
349.9 ~~provider rate increase appropriated for home and community-based services; or~~

349.10 ~~(2) an amount approved by the commissioner based on the recipient's extraordinary~~
349.11 ~~needs that cannot be met within the current allowable reimbursement level. The increased~~
349.12 ~~reimbursement level must be necessary to allow the recipient to be discharged from an~~
349.13 ~~institution or to prevent imminent placement in an institution. The additional reimbursement~~
349.14 ~~may be used to secure environmental modifications; assistive technology and equipment;~~
349.15 ~~and increased costs for supervision, training, and support services necessary to address the~~
349.16 ~~recipient's extraordinary needs. The commissioner may approve an increased reimbursement~~
349.17 ~~level for up to one year of the recipient's relocation from an institution or up to six months~~
349.18 ~~of a determination that a current waiver recipient is at imminent risk of being placed in an~~
349.19 ~~institution.~~

349.20 ~~(d)~~ (b) Beginning July 1, 2001, medically necessary home care nursing services will be
349.21 authorized under this section as complex and regular care according to sections 256B.0651
349.22 to 256B.0654 and 256B.0659. The rate established by the commissioner for registered nurse
349.23 or licensed practical nurse services under any home and community-based waiver as of
349.24 January 1, 2001, shall not be reduced.

349.25 ~~(e)~~ (c) Notwithstanding section 252.28, subdivision 3, paragraph (d), if the 2009
349.26 legislature adopts a rate reduction that impacts payment to providers of adult foster care
349.27 services, the commissioner may issue adult foster care licenses that permit a capacity of
349.28 five adults. The application for a five-bed license must meet the requirements of section
349.29 245A.11, subdivision 2a. Prior to admission of the fifth recipient of adult foster care services,
349.30 the county must negotiate a revised per diem rate for room and board and waiver services
349.31 that reflects the legislated rate reduction and results in an overall average per diem reduction
349.32 for all foster care recipients in that home. The revised per diem must allow the provider to
349.33 maintain, as much as possible, the level of services or enhanced services provided in the
349.34 residence, while mitigating the losses of the legislated rate reduction.

350.1 **EFFECTIVE DATE.** This section is effective July 1, 2024, or upon federal approval,
350.2 whichever is later. The commissioner of human services shall notify the revisor of statutes
350.3 when federal approval is obtained.

350.4 Sec. 29. Minnesota Statutes 2020, section 256B.49, is amended by adding a subdivision
350.5 to read:

350.6 Subd. 28. **Customized living moratorium for brain injury and community access**
350.7 **for disability inclusion waivers.** (a) Notwithstanding section 245A.03, subdivision 2,
350.8 paragraph (a), clause (23), to prevent new development of customized living settings that
350.9 otherwise meet the residential program definition under section 245A.02, subdivision 14,
350.10 the commissioner shall not enroll new customized living settings serving four or fewer
350.11 people in a single-family home to deliver customized living services as defined under the
350.12 brain injury or community access for disability inclusion waiver plans under this section.

350.13 (b) The commissioner may approve an exception to paragraph (a) when an existing
350.14 customized living setting changes ownership at the same address.

350.15 (c) Customized living settings operational on or before June 30, 2021, are considered
350.16 existing customized living settings.

350.17 (d) For any new customized living settings serving four or fewer people in a single-family
350.18 home to deliver customized living services as defined in paragraph (a) and that was not
350.19 operational on or before June 30, 2021, the authorizing lead agency is financially responsible
350.20 for all home and community-based service payments in the setting.

350.21 (e) For purposes of this subdivision, "operational" means customized living services are
350.22 authorized and delivered to a person in the customized living setting.

350.23 **EFFECTIVE DATE.** This section is effective July 1, 2021. This section applies only
350.24 to customized living services as defined under the brain injury or community access for
350.25 disability inclusion waiver plans under Minnesota Statutes, section 256B.49.

350.26 Sec. 30. Minnesota Statutes 2020, section 256B.49, is amended by adding a subdivision
350.27 to read:

350.28 Subd. 29. **Residential support services criteria.** (a) For the purposes of this subdivision,
350.29 "residential support services" means the following residential support services reimbursed
350.30 under section 256B.4914: community residential services, customized living services, and
350.31 24-hour customized living services.

351.1 (b) In order to increase independent living options for people with disabilities and in
351.2 accordance with section 256B.4905, subdivisions 3 and 4, and consistent with section
351.3 245A.03, subdivision 7, the commissioner must establish and implement criteria to access
351.4 residential support services. The criteria for accessing residential support services must
351.5 prohibit the commissioner from authorizing residential support services unless at least all
351.6 of the following conditions are met:

351.7 (1) the individual has complex behavioral health or complex medical needs; and

351.8 (2) the individual's service planning team has considered all other available residential
351.9 service options and determined that those options are inappropriate to meet the individual's
351.10 support needs.

351.11 Nothing in this subdivision shall be construed as permitting the commissioner to establish
351.12 criteria prohibiting the authorization of residential support services for individuals described
351.13 in the statewide priorities established in subdivision 12, the transition populations in
351.14 subdivision 13, and the licensing moratorium exception criteria under section 245A.03,
351.15 subdivision 7, paragraph (a).

351.16 (c) Individuals with active service agreements for residential support services on the
351.17 date that the criteria for accessing residential support services become effective are exempt
351.18 from the requirements of this subdivision, and the exemption from the criteria for accessing
351.19 residential support services continues to apply for renewals of those service agreements.

351.20 **EFFECTIVE DATE.** This section is effective 90 days following federal approval. The
351.21 commissioner of human services shall notify the revisor of statutes when federal approval
351.22 is obtained.

351.23 Sec. 31. Minnesota Statutes 2020, section 256B.4905, is amended by adding a subdivision
351.24 to read:

351.25 Subd. 1a. **Informed choice.** For purposes of this section, "informed choice" means a
351.26 choice that adults who have disabilities and, with support from their families or legal
351.27 representatives, that children who have disabilities make regarding services and supports
351.28 that best meets the adult's or children's needs and preferences. Before making an informed
351.29 choice, an individual who has disabilities must be provided, in an accessible format and
351.30 manner that meets the individual's needs, the tools, information, and opportunities that the
351.31 individual requires to understand all of the individual's options.

352.1 Sec. 32. Minnesota Statutes 2020, section 256B.4905, is amended by adding a subdivision
352.2 to read:

352.3 Subd. 2a. **Informed choice policy.** (a) It is the policy of this state that all adults who
352.4 have disabilities and, with support from their families or legal representatives, all children
352.5 who have disabilities:

352.6 (1) may make informed choices to select and utilize disability services and supports;
352.7 and

352.8 (2) are offered an informed decision-making process sufficient to make informed choices.

352.9 (b) It is the policy of this state that disability waivers services support the presumption
352.10 that adults who have disabilities and, with support from their families or legal representatives,
352.11 children who have disabilities may make informed choices; and that all adults who have
352.12 disabilities and all families of children who have disabilities and are accessing waiver
352.13 services under sections 256B.092 and 256B.49 are provided an informed decision-making
352.14 process that satisfies the requirements of subdivision 3a.

352.15 Sec. 33. Minnesota Statutes 2020, section 256B.4905, is amended by adding a subdivision
352.16 to read:

352.17 Subd. 3a. **Informed decision making.** "Informed decision making" means a process
352.18 that provides accessible, correct, and complete information to help an individual who is
352.19 accessing waiver services under sections 256B.092 and 256B.49 make an informed choice.
352.20 This information must be accessible and understandable to the individual so that the
352.21 individual is able to demonstrate understanding of the options. Any written information
352.22 provided in the process must be accessible and the process must be experiential whenever
352.23 possible. The process must also consider and offer to the individual, in a person-centered
352.24 manner, the following:

352.25 (1) reasonable accommodations as needed or requested by the individual to fully
352.26 participate in the informed decision-making process and acquire the information necessary
352.27 to make an informed choice;

352.28 (2) discussion of the individual's own preferences, abilities, goals, and objectives;

352.29 (3) identification of the person's cultural needs and access to culturally responsive services
352.30 and providers;

352.31 (4) information about the benefits of inclusive and individualized services and supports;

352.32 (5) presentation and discussion of all options with the person;

- 353.1 (6) documentation, in a manner prescribed by the commissioner, of each option discussed;
- 353.2 (7) exploration and development of new or other options;
- 353.3 (8) facilitation of opportunities to visit alternative locations or to engage in experiences
- 353.4 to understand how any service option might work for the person;
- 353.5 (9) opportunities to meet with other individuals with disabilities who live, work, and
- 353.6 receive services different from the person's own services;
- 353.7 (10) development of a transition plan, when needed or requested by the person, to
- 353.8 facilitate the choice to move from one service type or setting to another, and authorization
- 353.9 of the services and supports necessary to effectuate the plan;
- 353.10 (11) identification of any barriers to assisting or implementing the person's informed
- 353.11 choice and authorization of the services and supports necessary to overcome those barriers;
- 353.12 and
- 353.13 (12) ample time and timely opportunity to consider available options before the individual
- 353.14 makes a final choice or changes a choice.

353.15 Sec. 34. Minnesota Statutes 2020, section 256B.4905, is amended by adding a subdivision

353.16 to read:

353.17 Subd. 4a. **Informed choice in employment policy.** It is the policy of this state that

353.18 working-age individuals who have disabilities:

353.19 (1) can work and achieve competitive integrated employment with appropriate services

353.20 and supports, as needed;

353.21 (2) make informed choices about their postsecondary education, work, and career goals;

353.22 and

353.23 (3) will be offered the opportunity to make an informed choice, at least annually, to

353.24 pursue postsecondary education or to work and earn a competitive wage.

353.25 Sec. 35. Minnesota Statutes 2020, section 256B.4905, is amended by adding a subdivision

353.26 to read:

353.27 Subd. 5a. **Employment first implementation for disability waiver services.** The

353.28 commissioner of human services shall ensure that:

354.1 (1) the disability waivers under sections 256B.092 and 256B.49 support the presumption
354.2 that all working-age Minnesotans with disabilities can work and achieve competitive
354.3 integrated employment with appropriate services and supports, as needed; and

354.4 (2) each waiver recipient of working age be offered, after an informed decision-making
354.5 process and during a person-centered planning process, the opportunity to work and earn a
354.6 competitive wage before being offered exclusively day services as defined in section
354.7 245D.03, subdivision 1, paragraph (c), clause (4), or successor provisions.

354.8 Sec. 36. Minnesota Statutes 2020, section 256B.4905, is amended by adding a subdivision
354.9 to read:

354.10 Subd. 7. **Informed choice in community living policy.** It is the policy of this state that
354.11 all adults who have disabilities:

354.12 (1) can live in the communities of the individual's choosing with appropriate services
354.13 and supports as needed; and

354.14 (2) have the right, at least annually, to make an informed decision-making process that
354.15 can help them make an informed choice to live outside of a provider-controlled setting.

354.16 Sec. 37. Minnesota Statutes 2020, section 256B.4905, is amended by adding a subdivision
354.17 to read:

354.18 Subd. 8. **Independent living first implementation for disability waiver services.** The
354.19 commissioner of human services shall ensure that:

354.20 (1) the disability waivers under sections 256B.092 and 256B.49 support the presumption
354.21 that all adults who have disabilities can and want to live in the communities of the individual's
354.22 choosing with services and supports, as needed; and

354.23 (2) each adult waiver recipient is offered, after an informed decision-making process
354.24 and during a person-centered planning process, the opportunity to live as independently as
354.25 possible, in a nonprovider-controlled setting, before the recipient is offered a
354.26 provider-controlled setting. A provider-controlled setting includes customized living services
354.27 provided in a single-family home or residential supports and services as defined in section
354.28 245D.03, subdivision 1, paragraph (c), clause (3), or successor provisions, unless the
354.29 residential supports and services are provided in a family adult foster care residence under
354.30 a shared-living option as described in Laws 2013, chapter 108, article 7, section 62.

355.1 Sec. 38. Minnesota Statutes 2020, section 256B.4905, is amended by adding a subdivision
355.2 to read:

355.3 Subd. 9. **Informed choice in self-direction policy.** It is the policy of this state that adults
355.4 who have disabilities and families of children who have disabilities:

355.5 (1) can direct the adult's or child's needed services and supports; and

355.6 (2) have the right to make an informed choice to self-direct the adult's or child's services
355.7 and supports before being offered options that do not allow the adult or family to self-direct
355.8 the adult's or child's services and supports.

355.9 Sec. 39. Minnesota Statutes 2020, section 256B.4905, is amended by adding a subdivision
355.10 to read:

355.11 Subd. 10. **Informed choice in self-direction implementation for disability waiver**
355.12 services. The commissioner of human services shall ensure that:

355.13 (1) disability waivers under sections 256B.092 and 256B.49 support the presumption
355.14 that adults who have disabilities and families of children who have disabilities can direct
355.15 all of their services and supports, including self-directed funding options; and

355.16 (2) each waiver recipient is offered, after an informed decision-making process and
355.17 during a person-centered planning process, the opportunity to choose self-directed services
355.18 and supports, including self-directed funding options, before the recipient is offered services
355.19 and supports that are not self-directed.

355.20 Sec. 40. Minnesota Statutes 2020, section 256B.4905, is amended by adding a subdivision
355.21 to read:

355.22 Subd. 11. **Informed choice in technology policy.** It is the policy of this state that all
355.23 adults who have disabilities and children who have disabilities:

355.24 (1) can use assistive technology, remote supports, or a combination of both to enhance
355.25 the adult's or child's independence and quality of life; and

355.26 (2) have the right, at least annually, to make an informed choice about the adult's or
355.27 child's use of assistive technology and remote supports.

356.1 Sec. 41. Minnesota Statutes 2020, section 256B.4905, is amended by adding a subdivision
356.2 to read:

356.3 Subd. 12. **Informed choice in technology implementation for disability waiver**
356.4 **services.** The commissioner of human services shall ensure that:

356.5 (1) disability waivers under sections 256B.092 and 256B.49 support the presumption
356.6 that all adults who have disabilities and children who have disabilities may use assistive
356.7 technology, remote supports, or both to enhance the adult's or child's independence and
356.8 quality of life; and

356.9 (2) each individual accessing waiver services is offered, after an informed decision-
356.10 making process and during a person-centered planning process, the opportunity to choose
356.11 assistive technology, remote support, or both to ensure equitable access.

356.12 Sec. 42. Minnesota Statutes 2020, section 256B.4914, subdivision 5, is amended to read:

356.13 **Subd. 5. Base wage index and standard component values.** (a) The base wage index
356.14 is established to determine staffing costs associated with providing services to individuals
356.15 receiving home and community-based services. For purposes of developing and calculating
356.16 the proposed base wage, Minnesota-specific wages taken from job descriptions and standard
356.17 occupational classification (SOC) codes from the Bureau of Labor Statistics as defined in
356.18 the most recent edition of the Occupational Handbook must be used. The base wage index
356.19 must be calculated as follows:

356.20 (1) for residential direct care staff, the sum of:

356.21 (i) 15 percent of the subtotal of 50 percent of the median wage for personal and home
356.22 health aide (SOC code 39-9021); 30 percent of the median wage for nursing assistant (SOC
356.23 code 31-1014); and 20 percent of the median wage for social and human services aide (SOC
356.24 code 21-1093); and

356.25 (ii) 85 percent of the subtotal of 20 percent of the median wage for home health aide
356.26 (SOC code 31-1011); 20 percent of the median wage for personal and home health aide
356.27 (SOC code 39-9021); 20 percent of the median wage for nursing assistant (SOC code
356.28 31-1014); 20 percent of the median wage for psychiatric technician (SOC code 29-2053);
356.29 and 20 percent of the median wage for social and human services aide (SOC code 21-1093);

356.30 (2) for adult day services, 70 percent of the median wage for nursing assistant (SOC
356.31 code 31-1014); and 30 percent of the median wage for personal care aide (SOC code
356.32 39-9021);

357.1 (3) for day services, day support services, and prevocational services, 20 percent of the
357.2 median wage for nursing assistant (SOC code 31-1014); 20 percent of the median wage for
357.3 psychiatric technician (SOC code 29-2053); and 60 percent of the median wage for social
357.4 and human services aide (SOC code 21-1093);

357.5 (4) for residential asleep-overnight staff, the wage is the minimum wage in Minnesota
357.6 for large employers, except in a family foster care setting, the wage is 36 percent of the
357.7 minimum wage in Minnesota for large employers;

357.8 (5) for positive supports analyst staff, 100 percent of the median wage for mental health
357.9 counselors (SOC code 21-1014);

357.10 (6) for positive supports professional staff, 100 percent of the median wage for clinical
357.11 counseling and school psychologist (SOC code 19-3031);

357.12 (7) for positive supports specialist staff, 100 percent of the median wage for psychiatric
357.13 technicians (SOC code 29-2053);

357.14 (8) for supportive living services staff, 20 percent of the median wage for nursing assistant
357.15 (SOC code 31-1014); 20 percent of the median wage for psychiatric technician (SOC code
357.16 29-2053); and 60 percent of the median wage for social and human services aide (SOC code
357.17 21-1093);

357.18 (9) for housing access coordination staff, 100 percent of the median wage for community
357.19 and social services specialist (SOC code 21-1099);

357.20 (10) for in-home family support and individualized home supports with family training
357.21 staff, 20 percent of the median wage for nursing aide (SOC code 31-1012); 30 percent of
357.22 the median wage for community social service specialist (SOC code 21-1099); 40 percent
357.23 of the median wage for social and human services aide (SOC code 21-1093); and ten percent
357.24 of the median wage for psychiatric technician (SOC code 29-2053);

357.25 (11) for individualized home supports with training services staff, 40 percent of the
357.26 median wage for community social service specialist (SOC code 21-1099); 50 percent of
357.27 the median wage for social and human services aide (SOC code 21-1093); and ten percent
357.28 of the median wage for psychiatric technician (SOC code 29-2053);

357.29 (12) for independent living skills staff, 40 percent of the median wage for community
357.30 social service specialist (SOC code 21-1099); 50 percent of the median wage for social and
357.31 human services aide (SOC code 21-1093); and ten percent of the median wage for psychiatric
357.32 technician (SOC code 29-2053);

358.1 (13) for employment support services staff, 50 percent of the median wage for
358.2 rehabilitation counselor (SOC code 21-1015); and 50 percent of the median wage for
358.3 community and social services specialist (SOC code 21-1099);

358.4 (14) for employment exploration services staff, 50 percent of the median wage for
358.5 rehabilitation counselor (SOC code 21-1015); and 50 percent of the median wage for
358.6 community and social services specialist (SOC code 21-1099);

358.7 (15) for employment development services staff, 50 percent of the median wage for
358.8 education, guidance, school, and vocational counselors (SOC code 21-1012); and 50 percent
358.9 of the median wage for community and social services specialist (SOC code 21-1099);

358.10 (16) for individualized home support staff, 50 percent of the median wage for personal
358.11 and home care aide (SOC code 39-9021); and 50 percent of the median wage for nursing
358.12 assistant (SOC code 31-1014);

358.13 (17) for adult companion staff, 50 percent of the median wage for personal and home
358.14 care aide (SOC code 39-9021); and 50 percent of the median wage for nursing assistant
358.15 (SOC code 31-1014);

358.16 (18) for night supervision staff, 20 percent of the median wage for home health aide
358.17 (SOC code 31-1011); 20 percent of the median wage for personal and home health aide
358.18 (SOC code 39-9021); 20 percent of the median wage for nursing assistant (SOC code
358.19 31-1014); 20 percent of the median wage for psychiatric technician (SOC code 29-2053);
358.20 and 20 percent of the median wage for social and human services aide (SOC code 21-1093);

358.21 (19) for respite staff, 50 percent of the median wage for personal and home care aide
358.22 (SOC code 39-9021); and 50 percent of the median wage for nursing assistant (SOC code
358.23 31-1014);

358.24 (20) for personal support staff, 50 percent of the median wage for personal and home
358.25 care aide (SOC code 39-9021); and 50 percent of the median wage for nursing assistant
358.26 (SOC code 31-1014);

358.27 (21) for supervisory staff, 100 percent of the median wage for community and social
358.28 services specialist (SOC code 21-1099), with the exception of the supervisor of positive
358.29 supports professional, positive supports analyst, and positive supports specialists, which is
358.30 100 percent of the median wage for clinical counseling and school psychologist (SOC code
358.31 19-3031);

358.32 (22) for registered nurse staff, 100 percent of the median wage for registered nurses
358.33 (SOC code 29-1141); and

359.1 (23) for licensed practical nurse staff, 100 percent of the median wage for licensed
359.2 practical nurses (SOC code 29-2061).

359.3 (b) Component values for corporate foster care services, corporate supportive living
359.4 services daily, community residential services, and integrated community support services
359.5 are:

359.6 (1) competitive workforce factor: 4.7 percent;

359.7 (2) supervisory span of control ratio: 11 percent;

359.8 (3) employee vacation, sick, and training allowance ratio: 8.71 percent;

359.9 (4) employee-related cost ratio: 23.6 percent;

359.10 (5) general administrative support ratio: 13.25 percent;

359.11 (6) program-related expense ratio: 1.3 percent; and

359.12 (7) absence and utilization factor ratio: 3.9 percent.

359.13 (c) Component values for family foster care are:

359.14 (1) competitive workforce factor: 4.7 percent;

359.15 (2) supervisory span of control ratio: 11 percent;

359.16 (3) employee vacation, sick, and training allowance ratio: 8.71 percent;

359.17 (4) employee-related cost ratio: 23.6 percent;

359.18 (5) general administrative support ratio: 3.3 percent;

359.19 (6) program-related expense ratio: 1.3 percent; and

359.20 (7) absence factor: 1.7 percent.

359.21 (d) Component values for day training and habilitation, day support services, and
359.22 prevocational services are:

359.23 (1) competitive workforce factor: 4.7 percent;

359.24 (2) supervisory span of control ratio: 11 percent;

359.25 (3) employee vacation, sick, and training allowance ratio: 8.71 percent;

359.26 (4) employee-related cost ratio: 23.6 percent;

359.27 (5) program plan support ratio: 5.6 percent;

359.28 (6) client programming and support ratio: ten percent;

- 360.1 (7) general administrative support ratio: 13.25 percent;
- 360.2 (8) program-related expense ratio: 1.8 percent; and
- 360.3 (9) absence and utilization factor ratio: 9.4 percent.
- 360.4 (e) Component values for adult day services are:
- 360.5 (1) competitive workforce factor: 4.7 percent;
- 360.6 (2) supervisory span of control ratio: 11 percent;
- 360.7 (3) employee vacation, sick, and training allowance ratio: 8.71 percent;
- 360.8 (4) employee-related cost ratio: 23.6 percent;
- 360.9 (5) program plan support ratio: 5.6 percent;
- 360.10 (6) client programming and support ratio: 7.4 percent;
- 360.11 (7) general administrative support ratio: 13.25 percent;
- 360.12 (8) program-related expense ratio: 1.8 percent; and
- 360.13 (9) absence and utilization factor ratio: 9.4 percent.
- 360.14 (f) Component values for unit-based services with programming are:
- 360.15 (1) competitive workforce factor: 4.7 percent;
- 360.16 (2) supervisory span of control ratio: 11 percent;
- 360.17 (3) employee vacation, sick, and training allowance ratio: 8.71 percent;
- 360.18 (4) employee-related cost ratio: 23.6 percent;
- 360.19 (5) program plan supports ratio: 15.5 percent;
- 360.20 (6) client programming and supports ratio: 4.7 percent;
- 360.21 (7) general administrative support ratio: 13.25 percent;
- 360.22 (8) program-related expense ratio: 6.1 percent; and
- 360.23 (9) absence and utilization factor ratio: 3.9 percent.
- 360.24 (g) Component values for unit-based services without programming except respite are:
- 360.25 (1) competitive workforce factor: 4.7 percent;
- 360.26 (2) supervisory span of control ratio: 11 percent;
- 360.27 (3) employee vacation, sick, and training allowance ratio: 8.71 percent;

- 361.1 (4) employee-related cost ratio: 23.6 percent;
- 361.2 (5) program plan support ratio: 7.0 percent;
- 361.3 (6) client programming and support ratio: 2.3 percent;
- 361.4 (7) general administrative support ratio: 13.25 percent;
- 361.5 (8) program-related expense ratio: 2.9 percent; and
- 361.6 (9) absence and utilization factor ratio: 3.9 percent.
- 361.7 (h) Component values for unit-based services without programming for respite are:
- 361.8 (1) competitive workforce factor: 4.7 percent;
- 361.9 (2) supervisory span of control ratio: 11 percent;
- 361.10 (3) employee vacation, sick, and training allowance ratio: 8.71 percent;
- 361.11 (4) employee-related cost ratio: 23.6 percent;
- 361.12 (5) general administrative support ratio: 13.25 percent;
- 361.13 (6) program-related expense ratio: 2.9 percent; and
- 361.14 (7) absence and utilization factor ratio: 3.9 percent.
- 361.15 (i) ~~On July 1, 2022, and every two years thereafter,~~ The commissioner shall update the
- 361.16 base wage index in paragraph (a) ~~based on wage data by SOC from the Bureau of Labor~~
- 361.17 ~~Statistics available 30 months and one day prior to the scheduled update. The commissioner~~
- 361.18 ~~shall,~~ publish these updated values, and load them into the rate management system as
- 361.19 follows:
- 361.20 (1) on January 1, 2022, based on wage data by SOC from the Bureau of Labor Statistics
- 361.21 available as of December 31, 2019;
- 361.22 (2) on November 1, 2024, based on wage data by SOC from the Bureau of Labor Statistics
- 361.23 available as of December 31, 2021; and
- 361.24 (3) on July 1, 2026, and every two years thereafter, based on wage data by SOC from
- 361.25 the Bureau of Labor Statistics available 30 months and one day prior to the scheduled update.
- 361.26 (j) Beginning February 1, 2021, and every two years thereafter, the commissioner shall
- 361.27 report to the chairs and ranking minority members of the legislative committees and divisions
- 361.28 with jurisdiction over health and human services policy and finance an analysis of the
- 361.29 competitive workforce factor. The report must include recommendations to update the
- 361.30 competitive workforce factor using:

362.1 (1) the most recently available wage data by SOC code for the weighted average wage
362.2 for direct care staff for residential services and direct care staff for day services;

362.3 (2) the most recently available wage data by SOC code of the weighted average wage
362.4 of comparable occupations; and

362.5 (3) workforce data as required under subdivision 10a, paragraph (g).

362.6 The commissioner shall not recommend an increase or decrease of the competitive workforce
362.7 factor from the current value by more than two percentage points. If, after a biennial analysis
362.8 for the next report, the competitive workforce factor is less than or equal to zero, the
362.9 commissioner shall recommend a competitive workforce factor of zero.

362.10 (k) ~~On July 1, 2022, and every two years thereafter,~~ The commissioner shall update the
362.11 framework components in paragraph (d), clause (6); paragraph (e), clause (6); paragraph
362.12 (f), clause (6); and paragraph (g), clause (6); subdivision 6, paragraphs (b), clauses (9) and
362.13 (10), and (e), clause (10); and subdivision 7, clauses (11), (17), and (18), for changes in the
362.14 Consumer Price Index. The commissioner shall adjust these values higher or lower ~~by the~~
362.15 ~~percentage change in the CPI-U from the date of the previous update to the data available~~
362.16 ~~30 months and one day prior to the scheduled update. The commissioner shall~~ publish these
362.17 updated values, and load them into the rate management system as follows:

362.18 (1) on January 1, 2022, by the percentage change in the CPI-U from the date of the
362.19 previous update to the data available on December 31, 2019;

362.20 (2) on November 1, 2024, by the percentage change in the CPI-U from the date of the
362.21 previous update to the data available as of December 31, 2021; and

362.22 (3) on July 1, 2026, and every two years thereafter, by the percentage change in the
362.23 CPI-U from the date of the previous update to the data available 30 months and one day
362.24 prior to the scheduled update.

362.25 (l) Upon the implementation of the updates under paragraphs (i) and (k), rate adjustments
362.26 authorized under section 256B.439, subdivision 7; Laws 2013, chapter 108, article 7, section
362.27 60; and Laws 2014, chapter 312, article 27, section 75, shall be removed from service rates
362.28 calculated under this section.

362.29 (m) Any rate adjustments applied to the service rates calculated under this section outside
362.30 of the cost components and rate methodology specified in this section shall be removed
362.31 from rate calculations upon implementation of the updates under paragraphs (i) and (k).

363.1 (n) In this subdivision, if Bureau of Labor Statistics occupational codes or Consumer
363.2 Price Index items are unavailable in the future, the commissioner shall recommend to the
363.3 legislature codes or items to update and replace missing component values.

363.4 (o) At least 80 percent of the marginal increase in revenue from the rate adjustment
363.5 applied to the service rates calculated under this section in paragraphs (i) and (k) beginning
363.6 on January 1, 2022, for services rendered between January 1, 2022, and March 31, 2024,
363.7 must be used to increase compensation-related costs for employees directly employed by
363.8 the program on or after January 1, 2022. For the purposes of this paragraph,
363.9 compensation-related costs include:

363.10 (1) wages and salaries;

363.11 (2) the employer's share of FICA taxes, Medicare taxes, state and federal unemployment
363.12 taxes, workers' compensation, and mileage reimbursement;

363.13 (3) the employer's paid share of health and dental insurance, life insurance, disability
363.14 insurance, long-term care insurance, uniform allowance, pensions, and contributions to
363.15 employee retirement accounts; and

363.16 (4) benefits that address direct support professional workforce needs above and beyond
363.17 what employees were offered prior to January 1, 2022, including retention and recruitment
363.18 bonuses and tuition reimbursement.

363.19 Compensation-related costs for persons employed in the central office of a corporation or
363.20 entity that has an ownership interest in the provider or exercises control over the provider,
363.21 or for persons paid by the provider under a management contract, do not count toward the
363.22 80 percent requirement under this paragraph. A provider agency or individual provider that
363.23 receives a rate subject to the requirements of this paragraph shall prepare, and upon request
363.24 submit to the commissioner, a distribution plan that specifies the amount of money the
363.25 provider expects to receive that is subject to the requirements of this paragraph, including
363.26 how that money was or will be distributed to increase compensation-related costs for
363.27 employees. Within 60 days of final implementation of a rate adjustment subject to the
363.28 requirements of this paragraph, the provider must post the distribution plan and leave it
363.29 posted for a period of at least six months in an area of the provider's operation to which all
363.30 direct support professionals have access.

363.31 **EFFECTIVE DATE.** This section is effective January 1, 2022, or upon federal approval,
363.32 whichever is later. The commissioner of human services shall inform the revisor of statutes
363.33 when federal approval is obtained.

364.1 Sec. 43. Minnesota Statutes 2020, section 256B.4914, subdivision 6, is amended to read:

364.2 Subd. 6. **Payments for residential support services.** (a) For purposes of this subdivision,
364.3 residential support services includes 24-hour customized living services, community
364.4 residential services, customized living services, family residential services, foster care
364.5 services, integrated community supports, and supportive living services daily.

364.6 (b) Payments for community residential services, corporate foster care services, corporate
364.7 supportive living services daily, family residential services, and family foster care services
364.8 must be calculated as follows:

364.9 (1) determine the number of shared staffing and individual direct staff hours to meet a
364.10 recipient's needs provided on site or through monitoring technology;

364.11 (2) personnel hourly wage rate must be based on the 2009 Bureau of Labor Statistics
364.12 Minnesota-specific rates or rates derived by the commissioner as provided in subdivision
364.13 5;

364.14 (3) except for subdivision 5, paragraph (a), clauses (4) and (21) to (23), multiply the
364.15 result of clause (2) by the product of one plus the competitive workforce factor in subdivision
364.16 5, paragraph (b), clause (1);

364.17 (4) for a recipient requiring customization for deaf and hard-of-hearing language
364.18 accessibility under subdivision 12, add the customization rate provided in subdivision 12
364.19 to the result of clause (3);

364.20 (5) multiply the number of shared and individual direct staff hours provided on site or
364.21 through monitoring technology and nursing hours by the appropriate staff wages;

364.22 (6) multiply the number of shared and individual direct staff hours provided on site or
364.23 through monitoring technology and nursing hours by the product of the supervision span
364.24 of control ratio in subdivision 5, paragraph (b), clause (2), and the appropriate supervision
364.25 wage in subdivision 5, paragraph (a), clause (21);

364.26 (7) combine the results of clauses (5) and (6), excluding any shared and individual direct
364.27 staff hours provided through monitoring technology, and multiply the result by one plus
364.28 the employee vacation, sick, and training allowance ratio in subdivision 5, paragraph (b),
364.29 clause (3). This is defined as the direct staffing cost;

364.30 (8) for employee-related expenses, multiply the direct staffing cost, excluding any shared
364.31 and individual direct staff hours provided through monitoring technology, by one plus the
364.32 employee-related cost ratio in subdivision 5, paragraph (b), clause (4);

365.1 (9) for client programming and supports, the commissioner shall add \$2,179; and

365.2 (10) for transportation, if provided, the commissioner shall add \$1,680, or \$3,000 if
365.3 customized for adapted transport, based on the resident with the highest assessed need.

365.4 (c) The total rate must be calculated using the following steps:

365.5 (1) subtotal paragraph (b), clauses (8) to (10), and the direct staffing cost of any shared
365.6 and individual direct staff hours provided through monitoring technology that was excluded
365.7 in clause (8);

365.8 (2) sum the standard general and administrative rate, the program-related expense ratio,
365.9 and the absence and utilization ratio;

365.10 (3) divide the result of clause (1) by one minus the result of clause (2). This is the total
365.11 payment amount; and

365.12 (4) adjust the result of clause (3) by a factor to be determined by the commissioner to
365.13 adjust for regional differences in the cost of providing services.

365.14 (d) The payment methodology for customized living, and 24-hour customized living,
365.15 ~~and residential care services~~ must be the customized living tool. ~~Revisions to~~ The
365.16 commissioner shall revise the customized living tool must be made to reflect the services
365.17 and activities unique to disability-related recipient needs, and adjust for regional differences
365.18 in the cost of providing services. The rate adjustments described in section 256S.205 do not
365.19 apply to rates paid under this section. Customized living and 24-hour customized living
365.20 rates determined under this section shall not include more than 24 hours of support in a
365.21 daily unit. The commissioner shall establish the following acuity-based customized living
365.22 tool input limits, based on case mix, for customized living and 24-hour customized living
365.23 rates determined under this section:

365.24 (1) no more than two hours of mental health management per day for people assessed
365.25 for case mixes A, D, and G;

365.26 (2) no more than four hours of activities of daily living assistance per day for people
365.27 assessed for case mix B; and

365.28 (3) no more than six hours of activities of daily living assistance per day for people
365.29 assessed for case mix D.

365.30 (e) Payments for integrated community support services must be calculated as follows:

365.31 (1) the base shared staffing ~~shall~~ must be eight hours divided by the number of people
365.32 receiving support in the integrated community support setting;

366.1 (2) the individual staffing hours ~~shall~~ must be the average number of direct support hours
366.2 provided directly to the service recipient;

366.3 (3) the personnel hourly wage rate must be based on the most recent Bureau of Labor
366.4 Statistics Minnesota-specific rates or rates derived by the commissioner as provided in
366.5 subdivision 5;

366.6 (4) except for subdivision 5, paragraph (a), clauses (4) and (21) to (23), multiply the
366.7 result of clause (3) by the product of one plus the competitive workforce factor in subdivision
366.8 5, paragraph (b), clause (1);

366.9 (5) for a recipient requiring customization for deaf and hard-of-hearing language
366.10 accessibility under subdivision 12, add the customization rate provided in subdivision 12
366.11 to the result of clause (4);

366.12 (6) multiply the number of shared and individual direct staff hours in clauses (1) and
366.13 (2) by the appropriate staff wages;

366.14 (7) multiply the number of shared and individual direct staff hours in clauses (1) and
366.15 (2) by the product of the supervisory span of control ratio in subdivision 5, paragraph (b),
366.16 clause (2), and the appropriate supervisory wage in subdivision 5, paragraph (a), clause
366.17 (21);

366.18 (8) combine the results of clauses (6) and (7) and multiply the result by one plus the
366.19 employee vacation, sick, and training allowance ratio in subdivision 5, paragraph (b), clause
366.20 (3). This is defined as the direct staffing cost;

366.21 (9) for employee-related expenses, multiply the direct staffing cost by one plus the
366.22 employee-related cost ratio in subdivision 5, paragraph (b), clause (4); and

366.23 (10) for client programming and supports, the commissioner shall add \$2,260.21 divided
366.24 by 365.

366.25 (f) The total rate must be calculated as follows:

366.26 (1) add the results of paragraph (e), clauses (9) and (10);

366.27 (2) add the standard general and administrative rate, the program-related expense ratio,
366.28 and the absence and utilization factor ratio;

366.29 (3) divide the result of clause (1) by one minus the result of clause (2). This is the total
366.30 payment amount; and

366.31 (4) adjust the result of clause (3) by a factor to be determined by the commissioner to
366.32 adjust for regional differences in the cost of providing services.

367.1 ~~(g) The payment methodology for customized living and 24-hour customized living~~
367.2 ~~services must be the customized living tool. The commissioner shall revise the customized~~
367.3 ~~living tool to reflect the services and activities unique to disability-related recipient needs~~
367.4 ~~and adjust for regional differences in the cost of providing services.~~

367.5 ~~(h)~~ (g) The number of days authorized for all individuals enrolling in residential services
367.6 must include every day that services start and end.

367.7 **EFFECTIVE DATE.** This section is effective January 1, 2022, or upon federal approval,
367.8 whichever is later, except the fifth sentence in paragraph (d) is effective January 1, 2022.
367.9 The commissioner of human services shall notify the revisor of statutes when federal approval
367.10 is obtained.

367.11 Sec. 44. Minnesota Statutes 2020, section 256B.5012, is amended by adding a subdivision
367.12 to read:

367.13 Subd. 18. **ICF/DD rate increases effective January 1, 2022.** (a) For the rate period
367.14 beginning January 1, 2022, the commissioner must increase operating payments for each
367.15 facility reimbursed under this section equal to five percent of the operating payment rates
367.16 in effect on December 31, 2021.

367.17 (b) For each facility, the commissioner must apply the rate increase based on occupied
367.18 beds, using the percentage specified in this subdivision multiplied by the total payment rate,
367.19 including the variable rate but excluding the property-related payment rate in effect on
367.20 December 31, 2021. The total rate increase must include the adjustment provided in section
367.21 256B.501, subdivision 12.

367.22 **EFFECTIVE DATE.** This section is effective January 1, 2022, or upon federal approval,
367.23 whichever is later. The commissioner of human services shall inform the revisor of statutes
367.24 when federal approval is obtained.

367.25 Sec. 45. Minnesota Statutes 2020, section 256B.5013, subdivision 1, is amended to read:

367.26 Subdivision 1. **Variable rate adjustments.** (a) ~~For rate years beginning on or after~~
367.27 ~~October 1, 2000,~~ When there is a documented increase in the needs of a current ICF/DD
367.28 recipient, the county of financial responsibility may recommend a variable rate to enable
367.29 the facility to meet the individual's increased needs. Variable rate adjustments made under
367.30 this subdivision replace payments for persons with special needs for crisis intervention
367.31 services under section 256B.501, subdivision 8a. ~~Effective July 1, 2003, facilities with a~~
367.32 ~~base rate above the 50th percentile of the statewide average reimbursement rate for a Class~~

368.1 ~~A facility or Class B facility, whichever matches the facility licensure, are not eligible for~~
368.2 ~~a variable rate adjustment. Variable rate adjustments may not exceed a 12-month period,~~
368.3 ~~except when approved for purposes established in paragraph (b), clause (1). Once approved,~~
368.4 variable rate adjustments must continue to remain in place unless there is an identified
368.5 change in need. A review of needed resources must be done at the time of the individual's
368.6 annual support plan meeting. Any change in need identified must result in submission of a
368.7 request to adjust the resources for the individual. Variable rate adjustments approved solely
368.8 on the basis of changes on a developmental disabilities screening document will end June
368.9 30, 2002.

368.10 (b) The county of financial responsibility must act on a variable rate request within 30
368.11 days and notify the initiator of the request of the county's recommendation in writing.

368.12 ~~(b)~~ (c) A variable rate may be recommended by the county of financial responsibility
368.13 for increased needs in the following situations:

368.14 (1) a need for resources due to an individual's full or partial retirement from participation
368.15 in a day training and habilitation service when the individual: (i) has reached the age of 65
368.16 or has a change in health condition that makes it difficult for the person to participate in
368.17 day training and habilitation services over an extended period of time because it is medically
368.18 contraindicated; and (ii) has expressed a desire for change through the developmental
368.19 disability screening process under section 256B.092;

368.20 (2) a need for additional resources for intensive short-term programming ~~which~~ that is
368.21 necessary prior to an individual's discharge to a less restrictive, more integrated setting;

368.22 (3) a demonstrated medical need that significantly impacts the type or amount of services
368.23 needed by the individual; ~~or~~

368.24 (4) a demonstrated behavioral or cognitive need that significantly impacts the type or
368.25 amount of services needed by the individual; or

368.26 ~~(e) The county of financial responsibility must justify the purpose, the projected length~~
368.27 ~~of time, and the additional funding needed for the facility to meet the needs of the individual.~~

368.28 ~~(d) The facility shall provide an annual report to the county case manager on the use of~~
368.29 ~~the variable rate funds and the status of the individual on whose behalf the funds were~~
368.30 ~~approved. The county case manager will forward the facility's report with a recommendation~~
368.31 ~~to the commissioner to approve or disapprove a continuation of the variable rate.~~

369.1 ~~(e) Funds made available through the variable rate process that are not used by the facility~~
369.2 ~~to meet the needs of the individual for whom they were approved shall be returned to the~~
369.3 ~~state.~~

369.4 (5) a demonstrated increased need for staff assistance, changes in the type of staff
369.5 credentials needed, or a need for expert consultation based on assessments conducted prior
369.6 to the annual support plan meeting.

369.7 (d) Variable rate requests must include the following information:

369.8 (1) the service needs change;

369.9 (2) the variable rate requested and the difference from the current rate;

369.10 (3) a basis for the underlying costs used for the variable rate and any accompanying
369.11 documentation; and

369.12 (4) documentation of the expected outcomes to be achieved and the frequency of progress
369.13 monitoring associated with the rate increase.

369.14 **EFFECTIVE DATE.** This section is effective January 1, 2022, or upon federal approval,
369.15 whichever is later. The commissioner of human services shall inform the revisor of statutes
369.16 when federal approval is obtained.

369.17 Sec. 46. Minnesota Statutes 2020, section 256B.5013, subdivision 6, is amended to read:

369.18 Subd. 6. **Commissioner's responsibilities.** The commissioner shall:

369.19 (1) make a determination to approve, deny, or modify a request for a variable rate
369.20 adjustment within 30 days of the receipt of the completed application;

369.21 (2) notify the ICF/DD facility and county case manager of the ~~duration and conditions~~
369.22 ~~of variable rate adjustment approvals~~ determination; and

369.23 (3) modify MMIS II service agreements to reimburse ICF/DD facilities for approved
369.24 variable rates.

369.25 **EFFECTIVE DATE.** This section is effective January 1, 2022, or upon federal approval,
369.26 whichever is later. The commissioner of human services shall inform the revisor of statutes
369.27 when federal approval is obtained.

369.28 Sec. 47. Minnesota Statutes 2020, section 256B.5015, subdivision 2, is amended to read:

369.29 Subd. 2. **Services during the day.** (a) Services during the day, as defined in section
369.30 256B.501, but excluding day training and habilitation services, shall be paid as a pass-through

370.1 payment ~~no later than January 1, 2004~~. The commissioner shall establish rates for these
370.2 services, other than day training and habilitation services, at ~~levels that do not exceed 75~~
370.3 100 percent of a recipient's day training and habilitation service costs prior to the service
370.4 change.

370.5 (b) An individual qualifies for services during the day under paragraph (a) if, through
370.6 consultation with the individual and the individual's support team or interdisciplinary team:

370.7 (1) it has been determined that the individual's needs can best be met through partial or
370.8 full retirement from:

370.9 (i) participation in a day training and habilitation service; or

370.10 (ii) the use of services during the day in the individual's home environment; and

370.11 (2) an individualized plan has been developed with designated outcomes that:

370.12 (i) address the support needs and desires contained in the person-centered plan or
370.13 individual support plan; and

370.14 (ii) include goals that focus on community integration as appropriate for the individual.

370.15 (c) When establishing a rate for these services, the commissioner shall also consider an
370.16 individual recipient's needs as identified in the ~~individualized service~~ individual support
370.17 plan and the person's need for active treatment as defined under federal regulations. The
370.18 pass-through payments for services during the day shall be paid separately by the
370.19 commissioner and shall not be included in the computation of the ICF/DD facility total
370.20 payment rate.

370.21 **EFFECTIVE DATE.** This section is effective January 1, 2022, or upon federal approval,
370.22 whichever is later. The commissioner of human services shall inform the revisor of statutes
370.23 when federal approval is obtained.

370.24 Sec. 48. Minnesota Statutes 2020, section 256B.69, subdivision 5a, as amended by Laws
370.25 2021, chapter 30, article 13, section 57, is amended to read:

370.26 Subd. 5a. **Managed care contracts.** (a) Managed care contracts under this section and
370.27 section 256L.12 shall be entered into or renewed on a calendar year basis. The commissioner
370.28 may issue separate contracts with requirements specific to services to medical assistance
370.29 recipients age 65 and older.

370.30 (b) A prepaid health plan providing covered health services for eligible persons pursuant
370.31 to chapters 256B and 256L is responsible for complying with the terms of its contract with
370.32 the commissioner. Requirements applicable to managed care programs under chapters 256B

371.1 and 256L established after the effective date of a contract with the commissioner take effect
371.2 when the contract is next issued or renewed.

371.3 (c) The commissioner shall withhold five percent of managed care plan payments under
371.4 this section and county-based purchasing plan payments under section 256B.692 for the
371.5 prepaid medical assistance program pending completion of performance targets. Each
371.6 performance target must be quantifiable, objective, measurable, and reasonably attainable,
371.7 except in the case of a performance target based on a federal or state law or rule. Criteria
371.8 for assessment of each performance target must be outlined in writing prior to the contract
371.9 effective date. Clinical or utilization performance targets and their related criteria must
371.10 consider evidence-based research and reasonable interventions when available or applicable
371.11 to the populations served, and must be developed with input from external clinical experts
371.12 and stakeholders, including managed care plans, county-based purchasing plans, and
371.13 providers. The managed care or county-based purchasing plan must demonstrate, to the
371.14 commissioner's satisfaction, that the data submitted regarding attainment of the performance
371.15 target is accurate. The commissioner shall periodically change the administrative measures
371.16 used as performance targets in order to improve plan performance across a broader range
371.17 of administrative services. The performance targets must include measurement of plan
371.18 efforts to contain spending on health care services and administrative activities. The
371.19 commissioner may adopt plan-specific performance targets that take into account factors
371.20 affecting only one plan, including characteristics of the plan's enrollee population. The
371.21 withheld funds must be returned no sooner than July of the following year if performance
371.22 targets in the contract are achieved. The commissioner may exclude special demonstration
371.23 projects under subdivision 23.

371.24 (d) The commissioner shall require that managed care plans:

371.25 (1) use the assessment and authorization processes, forms, timelines, standards,
371.26 documentation, and data reporting requirements, protocols, billing processes, and policies
371.27 consistent with medical assistance fee-for-service or the Department of Human Services
371.28 contract requirements for all personal care assistance services under section 256B.0659 and
371.29 community first services and supports under section 256B.85; and

371.30 (2) by January 30 of each year that follows a rate increase for any aspect of services
371.31 under section 256B.0659 or 256B.85, inform the commissioner and the chairs and ranking
371.32 minority members of the legislative committees with jurisdiction over rates determined
371.33 under section 256B.851 of the amount of the rate increase that is paid to each personal care
371.34 assistance provider agency with which the plan has a contract.

372.1 (e) Effective for services rendered on or after January 1, 2012, the commissioner shall
372.2 include as part of the performance targets described in paragraph (c) a reduction in the health
372.3 plan's emergency department utilization rate for medical assistance and MinnesotaCare
372.4 enrollees, as determined by the commissioner. For 2012, the reduction shall be based on
372.5 the health plan's utilization in 2009. To earn the return of the withhold each subsequent
372.6 year, the managed care plan or county-based purchasing plan must achieve a qualifying
372.7 reduction of no less than ten percent of the plan's emergency department utilization rate for
372.8 medical assistance and MinnesotaCare enrollees, excluding enrollees in programs described
372.9 in subdivisions 23 and 28, compared to the previous measurement year until the final
372.10 performance target is reached. When measuring performance, the commissioner must
372.11 consider the difference in health risk in a managed care or county-based purchasing plan's
372.12 membership in the baseline year compared to the measurement year, and work with the
372.13 managed care or county-based purchasing plan to account for differences that they agree
372.14 are significant.

372.15 The withheld funds must be returned no sooner than July 1 and no later than July 31 of
372.16 the following calendar year if the managed care plan or county-based purchasing plan
372.17 demonstrates to the satisfaction of the commissioner that a reduction in the utilization rate
372.18 was achieved. The commissioner shall structure the withhold so that the commissioner
372.19 returns a portion of the withheld funds in amounts commensurate with achieved reductions
372.20 in utilization less than the targeted amount.

372.21 The withhold described in this paragraph shall continue for each consecutive contract
372.22 period until the plan's emergency room utilization rate for state health care program enrollees
372.23 is reduced by 25 percent of the plan's emergency room utilization rate for medical assistance
372.24 and MinnesotaCare enrollees for calendar year 2009. Hospitals shall cooperate with the
372.25 health plans in meeting this performance target and shall accept payment withholds that
372.26 may be returned to the hospitals if the performance target is achieved.

372.27 (f) Effective for services rendered on or after January 1, 2012, the commissioner shall
372.28 include as part of the performance targets described in paragraph (c) a reduction in the plan's
372.29 hospitalization admission rate for medical assistance and MinnesotaCare enrollees, as
372.30 determined by the commissioner. To earn the return of the withhold each year, the managed
372.31 care plan or county-based purchasing plan must achieve a qualifying reduction of no less
372.32 than five percent of the plan's hospital admission rate for medical assistance and
372.33 MinnesotaCare enrollees, excluding enrollees in programs described in subdivisions 23 and
372.34 28, compared to the previous calendar year until the final performance target is reached.
372.35 When measuring performance, the commissioner must consider the difference in health risk

373.1 in a managed care or county-based purchasing plan's membership in the baseline year
373.2 compared to the measurement year, and work with the managed care or county-based
373.3 purchasing plan to account for differences that they agree are significant.

373.4 The withheld funds must be returned no sooner than July 1 and no later than July 31 of
373.5 the following calendar year if the managed care plan or county-based purchasing plan
373.6 demonstrates to the satisfaction of the commissioner that this reduction in the hospitalization
373.7 rate was achieved. The commissioner shall structure the withhold so that the commissioner
373.8 returns a portion of the withheld funds in amounts commensurate with achieved reductions
373.9 in utilization less than the targeted amount.

373.10 The withhold described in this paragraph shall continue until there is a 25 percent
373.11 reduction in the hospital admission rate compared to the hospital admission rates in calendar
373.12 year 2011, as determined by the commissioner. The hospital admissions in this performance
373.13 target do not include the admissions applicable to the subsequent hospital admission
373.14 performance target under paragraph (g). Hospitals shall cooperate with the plans in meeting
373.15 this performance target and shall accept payment withholds that may be returned to the
373.16 hospitals if the performance target is achieved.

373.17 (g) Effective for services rendered on or after January 1, 2012, the commissioner shall
373.18 include as part of the performance targets described in paragraph (c) a reduction in the plan's
373.19 hospitalization admission rates for subsequent hospitalizations within 30 days of a previous
373.20 hospitalization of a patient regardless of the reason, for medical assistance and MinnesotaCare
373.21 enrollees, as determined by the commissioner. To earn the return of the withhold each year,
373.22 the managed care plan or county-based purchasing plan must achieve a qualifying reduction
373.23 of the subsequent hospitalization rate for medical assistance and MinnesotaCare enrollees,
373.24 excluding enrollees in programs described in subdivisions 23 and 28, of no less than five
373.25 percent compared to the previous calendar year until the final performance target is reached.

373.26 The withheld funds must be returned no sooner than July 1 and no later than July 31 of
373.27 the following calendar year if the managed care plan or county-based purchasing plan
373.28 demonstrates to the satisfaction of the commissioner that a qualifying reduction in the
373.29 subsequent hospitalization rate was achieved. The commissioner shall structure the withhold
373.30 so that the commissioner returns a portion of the withheld funds in amounts commensurate
373.31 with achieved reductions in utilization less than the targeted amount.

373.32 The withhold described in this paragraph must continue for each consecutive contract
373.33 period until the plan's subsequent hospitalization rate for medical assistance and
373.34 MinnesotaCare enrollees, excluding enrollees in programs described in subdivisions 23 and

374.1 28, is reduced by 25 percent of the plan's subsequent hospitalization rate for calendar year
374.2 2011. Hospitals shall cooperate with the plans in meeting this performance target and shall
374.3 accept payment withholds that must be returned to the hospitals if the performance target
374.4 is achieved.

374.5 (h) Effective for services rendered on or after January 1, 2013, through December 31,
374.6 2013, the commissioner shall withhold 4.5 percent of managed care plan payments under
374.7 this section and county-based purchasing plan payments under section 256B.692 for the
374.8 prepaid medical assistance program. The withheld funds must be returned no sooner than
374.9 July 1 and no later than July 31 of the following year. The commissioner may exclude
374.10 special demonstration projects under subdivision 23.

374.11 (i) Effective for services rendered on or after January 1, 2014, the commissioner shall
374.12 withhold three percent of managed care plan payments under this section and county-based
374.13 purchasing plan payments under section 256B.692 for the prepaid medical assistance
374.14 program. The withheld funds must be returned no sooner than July 1 and no later than July
374.15 31 of the following year. The commissioner may exclude special demonstration projects
374.16 under subdivision 23.

374.17 (j) A managed care plan or a county-based purchasing plan under section 256B.692 may
374.18 include as admitted assets under section 62D.044 any amount withheld under this section
374.19 that is reasonably expected to be returned.

374.20 (k) Contracts between the commissioner and a prepaid health plan are exempt from the
374.21 set-aside and preference provisions of section 16C.16, subdivisions 6, paragraph (a), and
374.22 7.

374.23 (l) The return of the withhold under paragraphs (h) and (i) is not subject to the
374.24 requirements of paragraph (c).

374.25 (m) Managed care plans and county-based purchasing plans shall maintain current and
374.26 fully executed agreements for all subcontractors, including bargaining groups, for
374.27 administrative services that are expensed to the state's public health care programs.
374.28 Subcontractor agreements determined to be material, as defined by the commissioner after
374.29 taking into account state contracting and relevant statutory requirements, must be in the
374.30 form of a written instrument or electronic document containing the elements of offer,
374.31 acceptance, consideration, payment terms, scope, duration of the contract, and how the
374.32 subcontractor services relate to state public health care programs. Upon request, the
374.33 commissioner shall have access to all subcontractor documentation under this paragraph.

375.1 Nothing in this paragraph shall allow release of information that is nonpublic data pursuant
375.2 to section 13.02.

375.3 **EFFECTIVE DATE.** This section is effective October 1, 2021.

375.4 Sec. 49. Minnesota Statutes 2020, section 256B.85, subdivision 2, as amended by Laws
375.5 2021, chapter 30, article 13, section 59, is amended to read:

375.6 Subd. 2. **Definitions.** (a) For the purposes of this section and section 256B.851, the terms
375.7 defined in this subdivision have the meanings given.

375.8 (b) "Activities of daily living" or "ADLs" means:

375.9 (1) dressing, including assistance with choosing, applying, and changing clothing and
375.10 applying special appliances, wraps, or clothing;

375.11 (2) grooming, including assistance with basic hair care, oral care, shaving, applying
375.12 cosmetics and deodorant, and care of eyeglasses and hearing aids. Grooming includes nail
375.13 care, except for recipients who are diabetic or have poor circulation;

375.14 (3) bathing, including assistance with basic personal hygiene and skin care;

375.15 (4) eating, including assistance with hand washing and applying orthotics required for
375.16 eating, transfers, or feeding;

375.17 (5) transfers, including assistance with transferring the participant from one seating or
375.18 reclining area to another;

375.19 (6) mobility, including assistance with ambulation and use of a wheelchair. Mobility
375.20 does not include providing transportation for a participant;

375.21 (7) positioning, including assistance with positioning or turning a participant for necessary
375.22 care and comfort; and

375.23 (8) toileting, including assistance with bowel or bladder elimination and care, transfers,
375.24 mobility, positioning, feminine hygiene, use of toileting equipment or supplies, cleansing
375.25 the perineal area, inspection of the skin, and adjusting clothing.

375.26 (c) "Agency-provider model" means a method of CFSS under which a qualified agency
375.27 provides services and supports through the agency's own employees and policies. The agency
375.28 must allow the participant to have a significant role in the selection and dismissal of support
375.29 workers of their choice for the delivery of their specific services and supports.

376.1 (d) "Behavior" means a description of a need for services and supports used to determine
376.2 the home care rating and additional service units. The presence of Level I behavior is used
376.3 to determine the home care rating.

376.4 (e) "Budget model" means a service delivery method of CFSS that allows the use of a
376.5 service budget and assistance from a financial management services (FMS) provider for a
376.6 participant to directly employ support workers and purchase supports and goods.

376.7 (f) "Complex health-related needs" means an intervention listed in clauses (1) to (8) that
376.8 has been ordered by a physician, advanced practice registered nurse, or physician's assistant
376.9 and is specified in a community support plan, including:

376.10 (1) tube feedings requiring:

376.11 (i) a gastrojejunostomy tube; or

376.12 (ii) continuous tube feeding lasting longer than 12 hours per day;

376.13 (2) wounds described as:

376.14 (i) stage III or stage IV;

376.15 (ii) multiple wounds;

376.16 (iii) requiring sterile or clean dressing changes or a wound vac; or

376.17 (iv) open lesions such as burns, fistulas, tube sites, or ostomy sites that require specialized
376.18 care;

376.19 (3) parenteral therapy described as:

376.20 (i) IV therapy more than two times per week lasting longer than four hours for each
376.21 treatment; or

376.22 (ii) total parenteral nutrition (TPN) daily;

376.23 (4) respiratory interventions, including:

376.24 (i) oxygen required more than eight hours per day;

376.25 (ii) respiratory vest more than one time per day;

376.26 (iii) bronchial drainage treatments more than two times per day;

376.27 (iv) sterile or clean suctioning more than six times per day;

376.28 (v) dependence on another to apply respiratory ventilation augmentation devices such
376.29 as BiPAP and CPAP; and

- 377.1 (vi) ventilator dependence under section 256B.0651;
- 377.2 (5) insertion and maintenance of catheter, including:
- 377.3 (i) sterile catheter changes more than one time per month;
- 377.4 (ii) clean intermittent catheterization, and including self-catheterization more than six
- 377.5 times per day; or
- 377.6 (iii) bladder irrigations;
- 377.7 (6) bowel program more than two times per week requiring more than 30 minutes to
- 377.8 perform each time;
- 377.9 (7) neurological intervention, including:
- 377.10 (i) seizures more than two times per week and requiring significant physical assistance
- 377.11 to maintain safety; or
- 377.12 (ii) swallowing disorders diagnosed by a physician, advanced practice registered nurse,
- 377.13 or physician's assistant and requiring specialized assistance from another on a daily basis;
- 377.14 and
- 377.15 (8) other congenital or acquired diseases creating a need for significantly increased direct
- 377.16 hands-on assistance and interventions in six to eight activities of daily living.
- 377.17 (g) "Community first services and supports" or "CFSS" means the assistance and supports
- 377.18 program under this section needed for accomplishing activities of daily living, instrumental
- 377.19 activities of daily living, and health-related tasks through hands-on assistance to accomplish
- 377.20 the task or constant supervision and cueing to accomplish the task, or the purchase of goods
- 377.21 as defined in subdivision 7, clause (3), that replace the need for human assistance.
- 377.22 (h) "Community first services and supports service delivery plan" or "CFSS service
- 377.23 delivery plan" means a written document detailing the services and supports chosen by the
- 377.24 participant to meet assessed needs that are within the approved CFSS service authorization,
- 377.25 as determined in subdivision 8. Services and supports are based on the coordinated service
- 377.26 and support plan identified in sections 256B.092, subdivision 1b, and 256S.10.
- 377.27 (i) "Consultation services" means a Minnesota health care program enrolled provider
- 377.28 organization that provides assistance to the participant in making informed choices about
- 377.29 CFSS services in general and self-directed tasks in particular, and in developing a
- 377.30 person-centered CFSS service delivery plan to achieve quality service outcomes.
- 377.31 (j) "Critical activities of daily living" means transferring, mobility, eating, and toileting.

378.1 (k) "Dependency" in activities of daily living means a person requires hands-on assistance
378.2 or constant supervision and cueing to accomplish one or more of the activities of daily living
378.3 every day or on the days during the week that the activity is performed; however, a child
378.4 must not be found to be dependent in an activity of daily living if, because of the child's
378.5 age, an adult would either perform the activity for the child or assist the child with the
378.6 activity and the assistance needed is the assistance appropriate for a typical child of the
378.7 same age.

378.8 (l) "Extended CFSS" means CFSS services and supports provided under CFSS that are
378.9 included in the CFSS service delivery plan through one of the home and community-based
378.10 services waivers and as approved and authorized under chapter 256S and sections 256B.092,
378.11 subdivision 5, and 256B.49, which exceed the amount, duration, and frequency of the state
378.12 plan CFSS services for participants. Extended CFSS excludes the purchase of goods.

378.13 (m) "Financial management services provider" or "FMS provider" means a qualified
378.14 organization required for participants using the budget model under subdivision 13 that is
378.15 an enrolled provider with the department to provide vendor fiscal/employer agent financial
378.16 management services (FMS).

378.17 (n) "Health-related procedures and tasks" means procedures and tasks related to the
378.18 specific assessed health needs of a participant that can be taught or assigned by a
378.19 state-licensed health care or mental health professional and performed by a support worker.

378.20 (o) "Instrumental activities of daily living" means activities related to living independently
378.21 in the community, including but not limited to: meal planning, preparation, and cooking;
378.22 shopping for food, clothing, or other essential items; laundry; housecleaning; assistance
378.23 with medications; managing finances; communicating needs and preferences during activities;
378.24 arranging supports; and assistance with traveling around and participating in the community,
378.25 including traveling to medical appointments. For purposes of this paragraph, traveling
378.26 includes driving and accompanying the recipient in the recipient's chosen mode of
378.27 transportation and according to the individual CFSS service delivery plan.

378.28 (p) "Lead agency" has the meaning given in section 256B.0911, subdivision 1a, paragraph
378.29 (e).

378.30 (q) "Legal representative" means parent of a minor, a court-appointed guardian, or
378.31 another representative with legal authority to make decisions about services and supports
378.32 for the participant. Other representatives with legal authority to make decisions include but
378.33 are not limited to a health care agent or an attorney-in-fact authorized through a health care
378.34 directive or power of attorney.

379.1 (r) "Level I behavior" means physical aggression toward self or others or destruction of
379.2 property that requires the immediate response of another person.

379.3 (s) "Medication assistance" means providing verbal or visual reminders to take regularly
379.4 scheduled medication, and includes any of the following supports listed in clauses (1) to
379.5 (3) and other types of assistance, except that a support worker must not determine medication
379.6 dose or time for medication or inject medications into veins, muscles, or skin:

379.7 (1) under the direction of the participant or the participant's representative, bringing
379.8 medications to the participant including medications given through a nebulizer, opening a
379.9 container of previously set-up medications, emptying the container into the participant's
379.10 hand, opening and giving the medication in the original container to the participant, or
379.11 bringing to the participant liquids or food to accompany the medication;

379.12 (2) organizing medications as directed by the participant or the participant's representative;
379.13 and

379.14 (3) providing verbal or visual reminders to perform regularly scheduled medications.

379.15 (t) "Participant" means a person who is eligible for CFSS.

379.16 (u) "Participant's representative" means a parent, family member, advocate, or other
379.17 adult authorized by the participant or participant's legal representative, if any, to serve as a
379.18 representative in connection with the provision of CFSS. If the participant is unable to assist
379.19 in the selection of a participant's representative, the legal representative shall appoint one.

379.20 (v) "Person-centered planning process" means a process that is directed by the participant
379.21 to plan for CFSS services and supports.

379.22 (w) "Service budget" means the authorized dollar amount used for the budget model or
379.23 for the purchase of goods.

379.24 (x) "Shared services" means the provision of CFSS services by the same CFSS support
379.25 worker to two or three participants who voluntarily enter into a written agreement to receive
379.26 services at the same time, in the same setting, and through the same agency-provider or
379.27 FMS provider.

379.28 (y) "Support worker" means a qualified and trained employee of the agency-provider
379.29 as required by subdivision 11b or of the participant employer under the budget model as
379.30 required by subdivision 14 who has direct contact with the participant and provides services
379.31 as specified within the participant's CFSS service delivery plan.

380.1 (z) "Unit" means the increment of service based on hours or minutes identified in the
380.2 service agreement.

380.3 (aa) "Vendor fiscal employer agent" means an agency that provides financial management
380.4 services.

380.5 (bb) "Wages and benefits" means the hourly wages and salaries, the employer's share
380.6 of FICA taxes, Medicare taxes, state and federal unemployment taxes, workers' compensation,
380.7 mileage reimbursement, health and dental insurance, life insurance, disability insurance,
380.8 long-term care insurance, uniform allowance, contributions to employee retirement accounts,
380.9 or other forms of employee compensation and benefits.

380.10 (cc) "Worker training and development" means services provided according to subdivision
380.11 18a for developing workers' skills as required by the participant's individual CFSS service
380.12 delivery plan that are arranged for or provided by the agency-provider or purchased by the
380.13 participant employer. These services include training, education, direct observation and
380.14 supervision, and evaluation and coaching of job skills and tasks, including supervision of
380.15 health-related tasks or behavioral supports.

380.16 EFFECTIVE DATE. This section is effective January 1, 2022, or upon federal approval,
380.17 whichever is later, except paragraph (a) is effective October 1, 2021, or upon federal approval,
380.18 whichever is later. The commissioner of human services must notify the revisor of statutes
380.19 when federal approval is obtained.

380.20 Sec. 50. Minnesota Statutes 2020, section 256B.85, subdivision 7a, is amended to read:

380.21 Subd. 7a. **Enhanced rate.** An enhanced rate of 107.5 percent of the rate paid for CFSS
380.22 must be paid for services provided to persons who qualify for ~~12~~ ten or more hours of CFSS
380.23 per day when provided by a support worker who meets the requirements of subdivision 16,
380.24 paragraph (e). ~~The enhanced rate for CFSS includes, and is not in addition to, any rate~~
380.25 ~~adjustments implemented by the commissioner on July 1, 2019, to comply with the terms~~
380.26 ~~of a collective bargaining agreement between the state of Minnesota and an exclusive~~
380.27 ~~representative of individual providers under section 179A.54 that provides for wage increases~~
380.28 ~~for individual providers who serve participants assessed to need 12 or more hours of CFSS~~
380.29 ~~per day.~~ Any change in the eligibility criteria for the enhanced rate for CFSS as described
380.30 in this subdivision and referenced in subdivision 16, paragraph (e), does not constitute a
380.31 change in a term or condition for individual providers as defined in section 256B.0711, and
380.32 is not subject to the state's obligation to meet and negotiate under chapter 179A.

381.1 **EFFECTIVE DATE.** This section is effective January 1, 2022, or upon federal approval,
381.2 whichever occurs later. The commissioner shall notify the revisor of statutes when federal
381.3 approval is obtained.

381.4 Sec. 51. Minnesota Statutes 2020, section 256B.85, subdivision 11, as amended by Laws
381.5 2021, chapter 30, article 13, section 69, is amended to read:

381.6 Subd. 11. **Agency-provider model.** (a) The agency-provider model includes services
381.7 provided by support workers and staff providing worker training and development services
381.8 who are employed by an agency-provider that meets the criteria established by the
381.9 commissioner, including required training.

381.10 (b) The agency-provider shall allow the participant to have a significant role in the
381.11 selection and dismissal of the support workers for the delivery of the services and supports
381.12 specified in the participant's CFSS service delivery plan. The agency must make a reasonable
381.13 effort to fulfill the participant's request for the participant's preferred support worker.

381.14 (c) A participant may use authorized units of CFSS services as needed within a service
381.15 agreement that is not greater than 12 months. Using authorized units in a flexible manner
381.16 in either the agency-provider model or the budget model does not increase the total amount
381.17 of services and supports authorized for a participant or included in the participant's CFSS
381.18 service delivery plan.

381.19 (d) A participant may share CFSS services. Two or three CFSS participants may share
381.20 services at the same time provided by the same support worker.

381.21 (e) The agency-provider must use a minimum of 72.5 percent of the revenue generated
381.22 by the medical assistance payment for CFSS for support worker wages and benefits, except
381.23 all of the revenue generated by a medical assistance rate increase due to a collective
381.24 bargaining agreement under section 179A.54 must be used for support worker wages and
381.25 benefits. The agency-provider must document how this requirement is being met. The
381.26 revenue generated by the worker training and development services and the reasonable costs
381.27 associated with the worker training and development services must not be used in making
381.28 this calculation.

381.29 (f) The agency-provider model must be used by participants who are restricted by the
381.30 Minnesota restricted recipient program under Minnesota Rules, parts 9505.2160 to
381.31 9505.2245.

381.32 (g) Participants purchasing goods under this model, along with support worker services,
381.33 must:

382.1 (1) specify the goods in the CFSS service delivery plan and detailed budget for
382.2 expenditures that must be approved by the consultation services provider, case manager, or
382.3 care coordinator; and

382.4 (2) use the FMS provider for the billing and payment of such goods.

382.5 (h) The agency provider is responsible for ensuring that any worker driving a participant
382.6 under subdivision 2, paragraph (o), has a valid driver's license and the vehicle used is
382.7 registered and insured according to Minnesota law.

382.8 Sec. 52. Minnesota Statutes 2020, section 256B.85, is amended by adding a subdivision
382.9 to read:

382.10 Subd. 12c. **Community first services and supports agency provider requirements;**
382.11 **documentation of travel time.** A community first services and supports agency provider
382.12 must ensure that travel and driving, as described in subdivision 2, paragraph (o), is
382.13 documented. The documentation must include:

382.14 (1) start and stop times with a.m. and p.m. designation;

382.15 (2) the origination site; and

382.16 (3) the destination site.

382.17 Sec. 53. Minnesota Statutes 2020, section 256B.85, subdivision 14, is amended to read:

382.18 Subd. 14. **Participant's responsibilities.** (a) The participant or participant's representative
382.19 is responsible for:

382.20 (1) orienting support workers to individual needs and preferences and providing direction
382.21 during the delivery of services;

382.22 (2) tracking the services provided and all expenditures for goods or other supports;

382.23 (3) preparing, verifying, and submitting time sheets according to the requirements in
382.24 subdivision 15;

382.25 (4) reporting any problems resulting from the failure of the CFSS service delivery plan
382.26 to be implemented or the quality of services rendered by the support worker to the
382.27 agency-provider, consultation services provider, FMS provider, and case manager or care
382.28 coordinator if applicable;

383.1 (5) notifying the agency-provider or the FMS provider within ten days of any changes
383.2 in circumstances affecting the CFSS service delivery plan, including but not limited to
383.3 changes in the participant's place of residence or hospitalization; and

383.4 (6) under the agency-provider model, participating in the evaluation of CFSS services
383.5 and support workers according to subdivision 11a.

383.6 (b) For a participant using the budget model, the participant or participant's representative
383.7 is responsible for:

383.8 (1) using an FMS provider that is enrolled with the department. Upon a determination
383.9 of eligibility and completion of the assessment and coordinated service and support plan,
383.10 the participant shall choose an FMS provider from a list of eligible providers maintained
383.11 by the department;

383.12 (2) complying with policies and procedures of the FMS provider as required to meet
383.13 state and federal regulations for CFSS and the employment of support workers;

383.14 (3) the hiring and supervision of the support worker, including but not limited to
383.15 recruiting, interviewing, training, scheduling, and discharging the support worker consistent
383.16 with federal and state laws and regulations;

383.17 (4) notifying the FMS provider of any changes in the employment status of each support
383.18 worker;

383.19 (5) ensuring that support workers are competent to meet the participant's assessed needs
383.20 and additional requirements as written in the CFSS service delivery plan;

383.21 (6) determining the competency of the support worker through evaluation within 30
383.22 days of any support worker beginning to provide services and with any change in the
383.23 participant's condition or modification to the CFSS service delivery plan;

383.24 (7) verifying and maintaining evidence of support worker competency, including
383.25 documentation of the support worker's:

383.26 (i) education and experience relevant to the job responsibilities assigned to the support
383.27 worker and the needs of the participant;

383.28 (ii) training received from sources other than the participant;

383.29 (iii) orientation and instruction to implement defined services and supports to meet
383.30 participant needs and preferences as detailed in the CFSS service delivery plan; and

383.31 (iv) periodic written performance reviews completed by the participant at least annually
383.32 based on the direct observation of the support worker's ability to perform the job functions;

384.1 (8) developing and communicating to each support worker a worker training and
384.2 development plan to ensure the support worker is competent when:

384.3 (i) the support worker begins providing services;

384.4 (ii) there is any change in the participant's condition or modification to the CFSS service
384.5 delivery plan; or

384.6 (iii) a performance review indicates that additional training is needed; ~~and~~

384.7 (9) participating in the evaluation of CFSS services; and

384.8 (10) ensuring that a worker driving the participant under subdivision 2, paragraph (o),
384.9 has a valid driver's license and the vehicle used is registered and insured according to
384.10 Minnesota law.

384.11 Sec. 54. Minnesota Statutes 2020, section 256B.85, subdivision 16, is amended to read:

384.12 Subd. 16. **Support workers requirements.** (a) Support workers shall:

384.13 (1) enroll with the department as a support worker after a background study under chapter
384.14 245C has been completed and the support worker has received a notice from the
384.15 commissioner that the support worker:

384.16 (i) is not disqualified under section 245C.14; or

384.17 (ii) is disqualified, but has received a set-aside of the disqualification under section
384.18 245C.22;

384.19 (2) have the ability to effectively communicate with the participant or the participant's
384.20 representative;

384.21 (3) have the skills and ability to provide the services and supports according to the
384.22 participant's CFSS service delivery plan and respond appropriately to the participant's needs;

384.23 (4) complete the basic standardized CFSS training as determined by the commissioner
384.24 before completing enrollment. The training must be available in languages other than English
384.25 and to those who need accommodations due to disabilities. CFSS support worker training
384.26 must include successful completion of the following training components: basic first aid,
384.27 vulnerable adult, child maltreatment, OSHA universal precautions, basic roles and
384.28 responsibilities of support workers including information about basic body mechanics,
384.29 emergency preparedness, orientation to positive behavioral practices, orientation to
384.30 responding to a mental health crisis, fraud issues, time cards and documentation, and an
384.31 overview of person-centered planning and self-direction. Upon completion of the training

385.1 components, the support worker must pass the certification test to provide assistance to
385.2 participants;

385.3 (5) complete employer-directed training and orientation on the participant's individual
385.4 needs;

385.5 (6) maintain the privacy and confidentiality of the participant; and

385.6 (7) not independently determine the medication dose or time for medications for the
385.7 participant.

385.8 (b) The commissioner may deny or terminate a support worker's provider enrollment
385.9 and provider number if the support worker:

385.10 (1) does not meet the requirements in paragraph (a);

385.11 (2) fails to provide the authorized services required by the employer;

385.12 (3) has been intoxicated by alcohol or drugs while providing authorized services to the
385.13 participant or while in the participant's home;

385.14 (4) has manufactured or distributed drugs while providing authorized services to the
385.15 participant or while in the participant's home; or

385.16 (5) has been excluded as a provider by the commissioner of human services, or by the
385.17 United States Department of Health and Human Services, Office of Inspector General, from
385.18 participation in Medicaid, Medicare, or any other federal health care program.

385.19 (c) A support worker may appeal in writing to the commissioner to contest the decision
385.20 to terminate the support worker's provider enrollment and provider number.

385.21 (d) A support worker must not provide or be paid for more than 310 hours of CFSS per
385.22 month, regardless of the number of participants the support worker serves or the number
385.23 of agency-providers or participant employers by which the support worker is employed.
385.24 The department shall not disallow the number of hours per day a support worker works
385.25 unless it violates other law.

385.26 (e) CFSS qualify for an enhanced rate if the support worker providing the services:

385.27 (1) provides services, within the scope of CFSS described in subdivision 7, to a participant
385.28 who qualifies for ~~12~~ ten or more hours per day of CFSS; and

385.29 (2) satisfies the current requirements of Medicare for training and competency or
385.30 competency evaluation of home health aides or nursing assistants, as provided in the Code

386.1 of Federal Regulations, title 42, section 483.151 or 484.36, or alternative state-approved
386.2 training or competency requirements.

386.3 **EFFECTIVE DATE.** This section is effective January 1, 2022, or upon federal approval,
386.4 whichever occurs later. The commissioner shall notify the revisor of statutes when federal
386.5 approval is obtained.

386.6 Sec. 55. **[256B.851] COMMUNITY FIRST SERVICES AND SUPPORTS; PAYMENT**
386.7 **RATES.**

386.8 Subdivision 1. **Application.** (a) The payment methodologies in this section apply to:

386.9 (1) community first services and supports (CFSS), extended CFSS, and enhanced rate
386.10 CFSS under section 256B.85; and

386.11 (2) personal care assistance services under section 256B.0625, subdivisions 19a and
386.12 19c; extended personal care assistance services as defined in section 256B.0659, subdivision
386.13 1; and enhanced rate personal care assistance services under section 256B.0659, subdivision
386.14 17a.

386.15 (b) This section does not change existing personal care assistance program or community
386.16 first services and supports policies and procedures.

386.17 Subd. 2. **Definitions.** (a) For purposes of this section, the following terms have the
386.18 meanings given in section 256B.85, subdivision 2, and as follows.

386.19 (b) "Commissioner" means the commissioner of human services.

386.20 (c) "Component value" means an underlying factor that is built into the rate methodology
386.21 to calculate service rates and is part of the cost of providing services.

386.22 (d) "Payment rate" or "rate" means reimbursement to an eligible provider for services
386.23 provided to a qualified individual based on an approved service authorization.

386.24 Subd. 3. **Payment rates; base wage index.** When initially establishing the base wage
386.25 component values, the commissioner must use the Minnesota-specific median wage for the
386.26 standard occupational classification (SOC) codes published by the Bureau of Labor Statistics
386.27 in the edition of the Occupational Handbook available January 1, 2021. The commissioner
386.28 must calculate the base wage component values as follows for:

386.29 (1) personal care assistance services, CFSS, extended personal care assistance services,
386.30 and extended CFSS. The base wage component value equals the median wage for personal
386.31 care aide (SOC code 31-1120);

387.1 (2) enhanced rate personal care assistance services and enhanced rate CFSS. The base
387.2 wage component value equals the product of median wage for personal care aide (SOC
387.3 code 31-1120) and the value of the enhanced rate under section 256B.0659, subdivision
387.4 17a; and

387.5 (3) qualified professional services and CFSS worker training and development. The base
387.6 wage component value equals the sum of 70 percent of the median wage for registered nurse
387.7 (SOC code 29-1141), 15 percent of the median wage for health care social worker (SOC
387.8 code 21-1099), and 15 percent of the median wage for social and human service assistant
387.9 (SOC code 21-1093).

387.10 Subd. 4. **Payment rates; total wage index.** (a) The commissioner must multiply the
387.11 base wage component values in subdivision 3 by one plus the appropriate competitive
387.12 workforce factor. The product is the total wage component value.

387.13 (b) For personal care assistance services, CFSS, extended personal care assistance
387.14 services, extended CFSS, enhanced rate personal care assistance services, and enhanced
387.15 rate CFSS, the initial competitive workforce factor is 4.7 percent.

387.16 (c) For qualified professional services and CFSS worker training and development, the
387.17 competitive workforce factor is zero percent.

387.18 Subd. 5. **Payment rates; component values.** (a) The commissioner must use the
387.19 following component values:

387.20 (1) employee vacation, sick, and training factor, 8.71 percent;

387.21 (2) employer taxes and workers' compensation factor, 11.56 percent;

387.22 (3) employee benefits factor, 12.04 percent;

387.23 (4) client programming and supports factor, 2.30 percent;

387.24 (5) program plan support factor, 7.00 percent;

387.25 (6) general business and administrative expenses factor, 13.25 percent;

387.26 (7) program administration expenses factor, 2.90 percent; and

387.27 (8) absence and utilization factor, 3.90 percent.

387.28 (b) For purposes of implementation, the commissioner shall use the following
387.29 implementation components:

387.30 (1) personal care assistance services and CFSS: 75.45 percent;

388.1 (2) enhanced rate personal care assistance services and enhanced rate CFSS: 75.45
388.2 percent; and

388.3 (3) qualified professional services and CFSS worker training and development: 75.45
388.4 percent.

388.5 Subd. 6. **Payment rates; rate determination.** (a) The commissioner must determine
388.6 the rate for personal care assistance services, CFSS, extended personal care assistance
388.7 services, extended CFSS, enhanced rate personal care assistance services, enhanced rate
388.8 CFSS, qualified professional services, and CFSS worker training and development as
388.9 follows:

388.10 (1) multiply the appropriate total wage component value calculated in subdivision 4 by
388.11 one plus the employee vacation, sick, and training factor in subdivision 5;

388.12 (2) for program plan support, multiply the result of clause (1) by one plus the program
388.13 plan support factor in subdivision 5;

388.14 (3) for employee-related expenses, add the employer taxes and workers' compensation
388.15 factor in subdivision 5 and the employee benefits factor in subdivision 5. The sum is
388.16 employee-related expenses. Multiply the product of clause (2) by one plus the value for
388.17 employee-related expenses;

388.18 (4) for client programming and supports, multiply the product of clause (3) by one plus
388.19 the client programming and supports factor in subdivision 5;

388.20 (5) for administrative expenses, add the general business and administrative expenses
388.21 factor in subdivision 5, the program administration expenses factor in subdivision 5, and
388.22 the absence and utilization factor in subdivision 5;

388.23 (6) divide the result of clause (4) by one minus the result of clause (5). The quotient is
388.24 the hourly rate;

388.25 (7) multiply the hourly rate by the appropriate implementation component under
388.26 subdivision 5. This is the adjusted hourly rate; and

388.27 (8) divide the adjusted hourly rate by four. The quotient is the total adjusted payment
388.28 rate.

388.29 (b) The commissioner must publish the total adjusted payment rates.

388.30 Subd. 7. **Treatment of rate adjustments provided outside of cost components** Any
388.31 rate adjustments applied to the service rates calculated under this section outside of the cost
388.32 components and rate methodology specified in this section, including but not limited to

389.1 those implemented to enable participant-employers and provider agencies to meet the terms
389.2 and conditions of any collective bargaining agreement negotiated under chapter 179A, shall
389.3 be applied as changes to the value of component values or implementation components in
389.4 subdivision 5.

389.5 Subd. 8. **Personal care provider agency; required reporting of cost data; training.** (a)
389.6 As determined by the commissioner and in consultation with stakeholders, agencies enrolled
389.7 to provide services with rates determined under this section must submit requested cost data
389.8 to the commissioner. The commissioner may request cost data, including but not limited
389.9 to:

389.10 (1) worker wage costs;

389.11 (2) benefits paid;

389.12 (3) supervisor wage costs;

389.13 (4) executive wage costs;

389.14 (5) vacation, sick, and training time paid;

389.15 (6) taxes, workers' compensation, and unemployment insurance costs paid;

389.16 (7) administrative costs paid;

389.17 (8) program costs paid;

389.18 (9) transportation costs paid;

389.19 (10) staff vacancy rates; and

389.20 (11) other data relating to costs required to provide services requested by the
389.21 commissioner.

389.22 (b) At least once in any three-year period, a provider must submit the required cost data
389.23 for a fiscal year that ended not more than 18 months prior to the submission date. The
389.24 commissioner must provide each provider a 90-day notice prior to its submission due date.
389.25 If a provider fails to submit required cost data, the commissioner must provide notice to a
389.26 provider that has not provided required cost data 30 days after the required submission date
389.27 and a second notice to a provider that has not provided required cost data 60 days after the
389.28 required submission date. The commissioner must temporarily suspend payments to a
389.29 provider if the commissioner has not received required cost data 90 days after the required
389.30 submission date. The commissioner must make withheld payments when the required cost
389.31 data is received by the commissioner.

390.1 (c) The commissioner must conduct a random validation of data submitted under this
390.2 subdivision to ensure data accuracy. The commissioner shall analyze cost documentation
390.3 in paragraph (a) and provide recommendations for adjustments to cost components.

390.4 (d) The commissioner, in consultation with stakeholders, must develop and implement
390.5 a process for providing training and technical assistance necessary to support provider
390.6 submission of cost data required under this subdivision.

390.7 Subd. 9. **Analysis of costs; recommendations.** (a) The commissioner shall evaluate on
390.8 an ongoing basis whether the base wage component values and component values in this
390.9 section appropriately address the cost to provide the service.

390.10 (b) The commissioner shall analyze cost data submitted by provider agencies under
390.11 subdivision 8 and report recommendations on component values, updated base wage
390.12 component values, and competitive workforce factors to the chairs and ranking minority
390.13 members of the legislative committees and divisions with jurisdiction over human services
390.14 policy and finance every two years beginning August 1, 2026. The commissioner shall
390.15 release cost data in an aggregate form, and cost data from individual providers shall not be
390.16 released except as provided for in current law.

390.17 (c) Beginning August 1, 2024, and every two years thereafter, the commissioner shall
390.18 report recommendations to the chairs and ranking minority members of the legislative
390.19 committees and divisions with jurisdiction over health and human services policy and finance
390.20 to update the base wage index in subdivision 3, the competitive workforce factors in
390.21 subdivision 4, and the component values in subdivision 5 using the most recently available
390.22 data. In making recommendations, the commissioner shall:

390.23 (1) make adjustments to the competitive workforce factor toward the percent difference
390.24 between:

390.25 (i) the median wage for personal care aide (SOC code 31-1120); and

390.26 (ii) the weighted average wage for all other SOC codes with the same Bureau of Labor
390.27 Statistics classifications for education, experience, and training required for job competency;

390.28 (2) not recommend an increase or decrease of the competitive workforce factor from its
390.29 previous value of more than three percentage points;

390.30 (3) not recommend a competitive workforce factor of less than zero;

390.31 (4) make adjustments to the value of the base wage components based on the most
390.32 recently available federal wage data; and

391.1 (5) make adjustments to any component values affected by inflation, including but not
391.2 limited to the client programming and supports factor.

391.3 Subd. 10. **Payment rate evaluation; reports required.** The commissioner must assess
391.4 the long-term impacts of the rate methodology implementation on staff providing services
391.5 with rates determined under this section, including but not limited to measuring changes in
391.6 wages, benefits provided, hours worked, and retention. The commissioner must publish
391.7 evaluation findings in a report to the legislature by August 1, 2028, and once every two
391.8 years thereafter.

391.9 Subd. 11. **Self-directed services workforce.** Nothing in this section limits the
391.10 commissioner's authority over terms and conditions for individual providers in covered
391.11 programs as defined in section 256B.0711. The commissioner's authority over terms and
391.12 conditions for individual providers in covered programs remains subject to the state's
391.13 obligations to meet and negotiate under chapter 179A, as modified and made applicable to
391.14 individual providers under section 179A.54, and to agreements with any exclusive
391.15 representative of individual providers, as authorized by chapter 179A, as modified and made
391.16 applicable to individual providers under section 179A.54. A change in the rate for services
391.17 within the covered programs defined in section 256B.0711 does not constitute a change in
391.18 a term or condition for individual providers in covered programs and is not subject to the
391.19 state's obligation to meet and negotiate under chapter 179A.

391.20 **EFFECTIVE DATE.** This section is effective October 1, 2021, or upon federal approval,
391.21 whichever is later. The commissioner of human services must notify the revisor of statutes
391.22 when federal approval is obtained.

391.23 Sec. 56. Minnesota Statutes 2020, section 256I.05, subdivision 1c, is amended to read:

391.24 Subd. 1c. **Rate increases.** An agency may not increase the rates negotiated for housing
391.25 support above those in effect on June 30, 1993, except as provided in paragraphs (a) to (f).

391.26 (a) An agency may increase the rates for room and board to the MSA equivalent rate
391.27 for those settings whose current rate is below the MSA equivalent rate.

391.28 (b) An agency may increase the rates for residents in adult foster care whose difficulty
391.29 of care has increased. The total housing support rate for these residents must not exceed the
391.30 maximum rate specified in subdivisions 1 and 1a. Agencies must not include nor increase
391.31 difficulty of care rates for adults in foster care whose difficulty of care is eligible for funding
391.32 by home and community-based waiver programs under title XIX of the Social Security Act.

392.1 (c) An agency must increase the room and board rates ~~will be increased~~ each year when
392.2 the MSA equivalent rate is adjusted for SSI cost-of-living increases by the amount of the
392.3 annual SSI increase, less the amount of the increase in the medical assistance personal needs
392.4 allowance under section 256B.35.

392.5 ~~(d) When housing support pays for an individual's room and board, or other costs~~
392.6 ~~necessary to provide room and board, the rate payable to the residence must continue for~~
392.7 ~~up to 18 calendar days per incident that the person is temporarily absent from the residence,~~
392.8 ~~not to exceed 60 days in a calendar year, if the absence or absences are reported in advance~~
392.9 ~~to the county agency's social service staff. Advance reporting is not required for emergency~~
392.10 ~~absences due to crisis, illness, or injury.~~

392.11 ~~(e) For~~ An agency may increase the rates for residents in facilities meeting substantial
392.12 change criteria within the prior year. Substantial change criteria ~~exists~~ exist if the
392.13 establishment experiences a 25 percent increase or decrease in the total number of its beds,
392.14 if the net cost of capital additions or improvements is in excess of 15 percent of the current
392.15 market value of the residence, or if the residence physically moves, or changes its licensure,
392.16 and incurs a resulting increase in operation and property costs.

392.17 ~~(f)~~ (e) Until June 30, 1994, an agency may increase by up to five percent the total rate
392.18 paid for recipients of assistance under sections 256D.01 to 256D.21 or 256D.33 to 256D.54
392.19 who reside in residences that are licensed by the commissioner of health as a boarding care
392.20 home, but are not certified for the purposes of the medical assistance program. However,
392.21 an increase under this clause must not exceed an amount equivalent to 65 percent of the
392.22 1991 medical assistance reimbursement rate for nursing home resident class A, in the
392.23 geographic grouping in which the facility is located, as established under Minnesota Rules,
392.24 parts 9549.0051 to 9549.0058.

392.25 (f) Notwithstanding the provisions of subdivision 1, an agency may increase the monthly
392.26 room and board rates by \$50 per month for residents in settings under section 256I.04,
392.27 subdivision 2a, paragraph (b), clause (2). Participants in the Minnesota supportive housing
392.28 demonstration program under section 256I.04, subdivision 3, paragraph (a), clause (3), may
392.29 not receive the increase under this paragraph.

392.30 **EFFECTIVE DATE.** This section is effective July 1, 2021, except paragraph (f) is
392.31 effective July 1, 2022.

393.1 Sec. 57. Minnesota Statutes 2020, section 256I.05, is amended by adding a subdivision
393.2 to read:

393.3 Subd. 2a. **Absent days.** (a) When a person receiving housing support is temporarily
393.4 absent and the absence is reported in advance to the agency's social service staff, the agency
393.5 must continue to pay on behalf of the person the applicable rate for housing support. Advance
393.6 reporting is not required for absences due to crisis, illness, or injury. The limit on payments
393.7 for absence days under this paragraph is 18 calendar days per incident, not to exceed 60
393.8 days in a calendar year.

393.9 (b) An agency must continue to pay an additional 74 days per incident, not to exceed a
393.10 total of 92 days in a calendar year, for a person who is temporarily absent due to admission
393.11 at a residential behavioral health facility, inpatient hospital, or nursing facility.

393.12 (c) If a person is temporarily absent due to admission at a residential behavioral health
393.13 facility, inpatient hospital, or nursing facility for a period of time exceeding the limits
393.14 described in paragraph (b), the agency may request in a format prescribed by the
393.15 commissioner an absence day limit exception to continue housing support payments until
393.16 the person is discharged.

393.17 **EFFECTIVE DATE.** This section is effective July 1, 2021.

393.18 Sec. 58. Minnesota Statutes 2020, section 256I.06, subdivision 8, is amended to read:

393.19 **Subd. 8. Amount of housing support payment.** (a) The amount of a room and board
393.20 payment to be made on behalf of an eligible individual is determined by subtracting the
393.21 individual's countable income under section 256I.04, subdivision 1, for a whole calendar
393.22 month from the room and board rate for that same month. The housing support payment is
393.23 determined by multiplying the housing support rate times the period of time the individual
393.24 was a resident or temporarily absent under section 256I.05, subdivision 1e, ~~paragraph (d)~~
393.25 2a.

393.26 (b) For an individual with earned income under paragraph (a), prospective budgeting
393.27 must be used to determine the amount of the individual's payment for the following six-month
393.28 period. An increase in income shall not affect an individual's eligibility or payment amount
393.29 until the month following the reporting month. A decrease in income shall be effective the
393.30 first day of the month after the month in which the decrease is reported.

393.31 (c) For an individual who receives housing support payments under section 256I.04,
393.32 subdivision 1, paragraph (c), the amount of the housing support payment is determined by
393.33 multiplying the housing support rate times the period of time the individual was a resident.

394.1 **EFFECTIVE DATE.** This section is effective July 1, 2021.

394.2 Sec. 59. Minnesota Statutes 2020, section 256S.18, subdivision 7, is amended to read:

394.3 Subd. 7. **Monthly case mix budget cap exception.** The commissioner shall approve an
394.4 exception to the monthly case mix budget cap in ~~paragraph (a)~~ subdivision 3 to account for
394.5 the additional cost of providing enhanced rate personal care assistance services under section
394.6 256B.0659 or enhanced rate community first services and supports under section 256B.85.
394.7 ~~The exception shall not exceed 107.5 percent of the budget otherwise available to the~~
394.8 ~~individual.~~ The commissioner must calculate the difference between the rate for personal
394.9 care assistance services and enhanced rate personal care assistance services. The additional
394.10 budget amount approved under an exception must not exceed this difference. The exception
394.11 must be reapproved on an annual basis at the time of a participant's annual reassessment.

394.12 **EFFECTIVE DATE.** This section is effective July 1, 2021, or upon federal approval,
394.13 whichever is later. The commissioner of human services must notify the revisor of statutes
394.14 when federal approval is obtained.

394.15 Sec. 60. Minnesota Statutes 2020, section 256S.20, subdivision 1, is amended to read:

394.16 Subdivision 1. **Customized living services provider requirements.** ~~Only a provider~~
394.17 ~~licensed by the Department of Health as a comprehensive home care provider may provide~~
394.18 (a) To deliver customized living services or 24-hour customized living services, a provider
394.19 must:

394.20 (1) be licensed as an assisted living facility under chapter 144G; or

394.21 (2) be licensed as a comprehensive home care provider under chapter 144A, be delivering
394.22 services in a setting exempted from assisted living facility licensure under section 144G.08,
394.23 subdivision 7, clauses (10) to (13), and meet standards in the federally approved home and
394.24 community-based waiver plans under this chapter or section 256B.49. A licensed home
394.25 care provider is subject to section 256B.0651, subdivision 14.

394.26 (b) Settings exempted from assisted living facility licensure under section 144G.08,
394.27 subdivision 7, clauses (10) to (13), must comply with section 325F.722.

394.28 **EFFECTIVE DATE.** This section is effective August 1, 2021.

395.1 Sec. 61. Minnesota Statutes 2020, section 256S.203, is amended to read:

395.2 **256S.203 CUSTOMIZED LIVING SERVICES; MANAGED CARE RATES.**

395.3 Subdivision 1. **Capitation payments.** The commissioner ~~shall~~ must adjust the elderly
395.4 waiver capitation payment rates for managed care organizations paid to reflect the monthly
395.5 service rate limits for customized living services and 24-hour customized living services
395.6 established under section 256S.202 and the rate adjustments for disproportionate share
395.7 facilities under section 256S.205.

395.8 Subd. 2. **Reimbursement rates.** Medical assistance rates paid to customized living
395.9 providers by managed care organizations under this chapter ~~shall~~ must not exceed the
395.10 monthly service rate limits and component rates as determined by the commissioner under
395.11 sections 256S.15 and 256S.20 to 256S.202, plus any rate adjustment under section 256S.205.

395.12 Sec. 62. **[256S.205] CUSTOMIZED LIVING SERVICES; DISPROPORTIONATE**
395.13 **SHARE RATE ADJUSTMENTS.**

395.14 Subdivision 1. **Definitions.** (a) For the purposes of this section, the terms in this
395.15 subdivision have the meanings given.

395.16 (b) "Application year" means a year in which a facility submits an application for
395.17 designation as a disproportionate share facility.

395.18 (c) "Assisted living facility" or "facility" means an assisted living facility licensed under
395.19 chapter 144G.

395.20 (d) "Disproportionate share facility" means an assisted living facility designated by the
395.21 commissioner under subdivision 4.

395.22 Subd. 2. **Rate adjustment application.** An assisted living facility may apply to the
395.23 commissioner for designation as a disproportionate share facility. Applications must be
395.24 submitted annually between October 1 and October 31. The applying facility must apply
395.25 in a manner determined by the commissioner. The applying facility must document as a
395.26 percentage the census of elderly waiver participants residing in the facility on October 1 of
395.27 the application year.

395.28 Subd. 3. **Rate adjustment eligibility criteria.** Only facilities with a census of at least
395.29 80 percent elderly waiver participants on October 1 of the application year are eligible for
395.30 designation as a disproportionate share facility.

395.31 Subd. 4. **Designation as a disproportionate share facility.** By November 15 of each
395.32 application year, the commissioner must designate as a disproportionate share facility a

396.1 facility that complies with the application requirements of subdivision 2 and meets the
396.2 eligibility criteria of subdivision 3.

396.3 Subd. 5. **Rate adjustment; rate floor.** (a) Notwithstanding the 24-hour customized
396.4 living monthly service rate limits under section 256S.202, subdivision 2, and the component
396.5 service rates established under section 256S.201, subdivision 4, the commissioner must
396.6 establish a rate floor equal to \$119 per resident per day for 24-hour customized living
396.7 services provided in a designated disproportionate share facility for the purpose of ensuring
396.8 the minimal level of staffing required to meet the health and safety needs of elderly waiver
396.9 participants.

396.10 (b) The commissioner must adjust the rate floor at least annually in the manner described
396.11 under section 256S.18, subdivisions 5 and 6.

396.12 (c) The commissioner shall not implement the rate floor under this section if the
396.13 customized living rates established under sections 256S.21 to 256S.215 will be implemented
396.14 at 100 percent on January 1 of the year following an application year.

396.15 Subd. 6. **Budget cap disregard.** The value of the rate adjustment under this section
396.16 must not be included in an elderly waiver client's monthly case mix budget cap.

396.17 **EFFECTIVE DATE.** This section is effective October 1, 2021, or upon federal approval,
396.18 whichever is later, and applies to services provided on or after July 1, 2022, or on or after
396.19 the date upon which federal approval is obtained, whichever is later. The commissioner of
396.20 human services shall notify the revisor of statutes when federal approval is obtained.

396.21 Sec. 63. Minnesota Statutes 2020, section 256S.21, is amended to read:

396.22 **256S.21 RATE SETTING; APPLICATION.**

396.23 The payment methodologies in sections 256S.2101 to 256S.215 apply to elderly waiver,
396.24 elderly waiver customized living, and elderly waiver foster care, and elderly waiver
396.25 residential care under this chapter; alternative care under section 256B.0913; essential
396.26 community supports under section 256B.0922; and community access for disability inclusion
396.27 customized living and brain injury customized living under section 256B.49.

396.28 **EFFECTIVE DATE.** This section is effective January 1, 2022, or upon federal approval,
396.29 whichever is later. The commissioner of human services shall inform the revisor of statutes
396.30 when federal approval is obtained.

397.1 Sec. 64. Minnesota Statutes 2020, section 256S.2101, is amended to read:

397.2 **256S.2101 RATE SETTING; PHASE-IN.**

397.3 Subdivision 1. Phase-in for disability waiver customized living rates. All rates and
397.4 rate components for ~~services listed in section 256S.21~~ community access for disability
397.5 inclusion customized living and brain injury customized living under section 256B.4914
397.6 shall be the sum of ten percent of the rates calculated under sections 256S.211 to 256S.215
397.7 and 90 percent of the rates calculated using the rate methodology in effect as of June 30,
397.8 2017.

397.9 Subd. 2. Phase-in for elderly waiver rates. Except for home-delivered meals as
397.10 described in section 256S.215, subdivision 15, all rates and rate components for elderly
397.11 waiver, elderly waiver customized living, and elderly waiver foster care under this chapter;
397.12 alternative care under section 256B.0913; and essential community supports under section
397.13 256B.0922 shall be the sum of 18.8 percent of the rates calculated under sections 256S.211
397.14 to 256S.215, and 81.2 percent of the rates calculated using the rate methodology in effect
397.15 as of June 30, 2017. The rate for home-delivered meals shall be the sum of the service rate
397.16 in effect as of January 1, 2019, and the increases described in section 256S.215, subdivision
397.17 15.

397.18 EFFECTIVE DATE. This section is effective January 1, 2022, or upon federal approval,
397.19 whichever is later. The commissioner of human services shall inform the revisor of statutes
397.20 when federal approval is obtained.

397.21 Sec. 65. **[325F.722] CONSUMER PROTECTIONS FOR EXEMPT SETTINGS.**

397.22 Subdivision 1. Definitions. (a) For the purposes of this section, the following terms have
397.23 the meanings given.

397.24 (b) "Exempt setting" means a setting that is exempted from assisted living facility
397.25 licensure under section 144G.08, subdivision 7, clauses (10) to (13).

397.26 (c) "Resident" means a person residing in an exempt setting.

397.27 Subd. 2. Contracts. (a) Every exempt setting must execute a written contract with a
397.28 resident or the resident's representative and must operate in accordance with the terms of
397.29 the contract. The resident or the resident's representative must be given a complete copy of
397.30 the contract and all supporting documents and attachments and any changes whenever
397.31 changes are made.

- 398.1 (b) The contract must include at least the following elements in itself or through
398.2 supporting documents or attachments:
- 398.3 (1) the name, street address, and mailing address of the exempt setting;
- 398.4 (2) the name and mailing address of the owner or owners of the exempt setting and, if
398.5 the owner or owners are not natural persons, identification of the type of business entity of
398.6 the owner or owners;
- 398.7 (3) the name and mailing address of the managing agent, through management agreement
398.8 or lease agreement, of the exempt setting, if different from the owner or owners;
- 398.9 (4) the name and address of at least one natural person who is authorized to accept service
398.10 of process on behalf of the owner or owners and managing agent;
- 398.11 (5) a statement identifying the license number of the home care provider that provides
398.12 services to some or all of the residents and that is either the setting itself or another entity
398.13 with which the setting has an arrangement;
- 398.14 (6) the term of the contract;
- 398.15 (7) an itemization and description of the housing and, if applicable, services to be
398.16 provided to the resident;
- 398.17 (8) a conspicuous notice informing the resident of the policy concerning the conditions
398.18 under which and the process through which the contract may be modified, amended, or
398.19 terminated;
- 398.20 (9) a description of the exempt setting's complaint resolution process available to residents
398.21 including the toll-free complaint line for the Office of Ombudsman for Long-Term Care;
- 398.22 (10) the individual designated as the resident's representative, if any;
- 398.23 (11) the exempt setting's referral procedures if the contract is terminated;
- 398.24 (12) a statement regarding the ability of a resident to receive services from providers
398.25 with whom the exempt setting does not have an arrangement;
- 398.26 (13) a statement regarding the availability of public funds for payment for residence or
398.27 services; and
- 398.28 (14) a statement regarding the availability of and contact information for long-term care
398.29 consultation services under section 256B.0911 in the county in which the exempt setting is
398.30 located.
- 398.31 (c) The contract must include a statement regarding:

399.1 (1) the ability of a resident to furnish and decorate the resident's unit within the terms
399.2 of the lease;

399.3 (2) a resident's right to access food at any time;

399.4 (3) a resident's right to choose the resident's visitors and times of visits;

399.5 (4) a resident's right to choose a roommate if sharing a unit; and

399.6 (5) a resident's right to have and use a lockable door to the resident's unit. The exempt
399.7 setting must provide the locks on the unit. Only a staff member with a specific need to enter
399.8 the unit shall have keys, and advance notice must be given to the resident before entrance
399.9 by the staff member, when possible.

399.10 (d) A restriction of a resident's rights under this subdivision is allowed only if determined
399.11 necessary for health and safety reasons identified by a home care provider's registered nurse
399.12 in an initial assessment or reassessment, as defined under section 144A.4791, subdivision
399.13 8, and documented in the written service plan under section 144A.4791, subdivision 9. Any
399.14 restrictions of those rights for people served under section 256B.49 and chapter 256S must
399.15 be documented in the resident's coordinated service and support plan, as defined under
399.16 sections 256B.49, subdivision 15, and 256S.10.

399.17 (e) The contract and related documents executed by each resident or resident's
399.18 representative must be maintained by the exempt setting in files from the date of execution
399.19 until three years after the contract is terminated.

399.20 Subd. 3. **Termination of contract.** An exempt setting must include with notice of
399.21 termination of contract information about how to contact the ombudsman for long-term
399.22 care, including the address and telephone number, along with a statement of how to request
399.23 problem-solving assistance.

399.24 Subd. 4. **Emergency planning.** (a) Each exempt setting must meet the following
399.25 requirements:

399.26 (1) have a written emergency disaster plan that contains a plan for evacuation, addresses
399.27 elements of sheltering in place, identifies temporary relocation sites, and details staff
399.28 assignments in the event of a disaster or an emergency;

399.29 (2) prominently post an emergency disaster plan;

399.30 (3) provide building emergency exit diagrams to all residents upon signing a contract;

399.31 (4) post emergency exit diagrams on each floor; and

399.32 (5) have a written policy and procedure regarding missing residents.

400.1 (b) Each exempt setting must provide emergency and disaster training to all staff during
400.2 the initial staff orientation and annually thereafter and must make emergency and disaster
400.3 training available to all residents annually. Staff who have not received emergency and
400.4 disaster training are allowed to work only when trained staff are also working on site.

400.5 (c) Each exempt setting location must conduct and document a fire drill or other
400.6 emergency drill at least once every six months. To the extent possible, drills must be
400.7 coordinated with local fire departments or other community emergency resources.

400.8 Subd. 5. **Training in dementia.** (a) If an exempt setting has a special program or special
400.9 care unit for residents with Alzheimer's disease or other dementias whether in a segregated
400.10 or general unit, employees of the setting must meet the following training requirements:

400.11 (1) supervisors of direct care staff must have completed at least eight hours of initial
400.12 training on topics specified under paragraph (b) within 120 working hours of the employment
400.13 start date, and must complete at least two hours of training on topics related to dementia
400.14 care for each 12 months of employment thereafter;

400.15 (2) direct care employees must have completed at least eight hours of initial training on
400.16 topics specified under paragraph (b) within 160 working hours of the employment start
400.17 date. Until this initial training is complete, an employee must not provide direct care unless
400.18 there is another employee on site who has completed the initial eight hours of training on
400.19 topics related to dementia care and who can act as a resource and assist if issues arise. A
400.20 trainer of the requirements under paragraph (b), or a supervisor meeting the requirements
400.21 in clause (1), must be available for consultation with the new employee until the training
400.22 requirement is complete. Direct care employees must complete at least two hours of training
400.23 on topics related to dementia care for each 12 months of employment thereafter;

400.24 (3) staff who do not provide direct care, including maintenance, housekeeping, and food
400.25 service staff, must have completed at least four hours of initial training on topics specified
400.26 under paragraph (b) within 160 working hours of the employment start date, and must
400.27 complete at least two hours of training on topics related to dementia care for each 12 months
400.28 of employment thereafter; and

400.29 (4) new employees may satisfy the initial training requirements under clauses (1) to (3)
400.30 by producing written proof of previously completed required training within the past 18
400.31 months.

400.32 (b) Areas of required training include:

400.33 (1) an explanation of Alzheimer's disease and related disorders;

401.1 (2) assistance with activities of daily living;

401.2 (3) problem-solving with challenging behaviors; and

401.3 (4) communication skills.

401.4 (c) The setting must provide to residents, and prospective residents upon request, in
401.5 written or electronic form, a description of the training program, the categories of employees
401.6 trained, the frequency of training, and the basic topics covered.

401.7 Subd. 6. **Manager requirements.** (a) The person primarily responsible for oversight
401.8 and management of the exempt setting, as designated by the owner, must obtain at least 30
401.9 hours of continuing education every two years of employment as the manager in topics
401.10 relevant to the operations of the setting and the needs of its residents. Continuing education
401.11 earned to maintain a professional license, such as a nursing home administrator license,
401.12 assisted living facility director license, nursing license, social worker license, or real estate
401.13 license, can be used to complete this requirement.

401.14 (b) New managers may satisfy the initial dementia training requirements by producing
401.15 written proof of previously completed required training within the past 18 months.

401.16 Subd. 7. **Restraints.** Residents must be free from any physical or chemical restraints
401.17 imposed for purposes of discipline or convenience.

401.18 Subd. 8. **Other laws.** Each exempt setting must comply with chapter 504B, and must
401.19 obtain and maintain all other licenses, permits, registrations, or other required governmental
401.20 approvals. An exempt setting is not required to obtain a lodging license under chapter 157
401.21 and related rules.

401.22 Subd. 9. **Remedy.** A state agency must make a good faith effort to reasonably resolve
401.23 any dispute with an exempt setting before seeking any additional enforcement actions
401.24 regarding the exempt setting's compliance with the requirements of this section. No private
401.25 right of action may be maintained as provided under section 8.31, subdivision 3a.

401.26 **EFFECTIVE DATE.** This section is effective August 1, 2021.

401.27 Sec. 66. **DIRECTION TO THE COMMISSIONER; CUSTOMIZED LIVING**
401.28 **REPORT.**

401.29 (a) By January 15, 2022, the commissioner of human services shall submit a report to
401.30 the chairs and ranking minority members of the legislative committees with jurisdiction
401.31 over human services policy and finance. The report must include the commissioner's:

402.1 (1) assessment of the prevalence of customized living services provided under Minnesota
402.2 Statutes, section 256B.49, supplanting the provision of residential services and supports
402.3 licensed under Minnesota Statutes, chapter 245D, and provided in settings licensed under
402.4 Minnesota Statutes, chapter 245A;

402.5 (2) recommendations regarding the continuation of the moratorium on home and
402.6 community-based services customized living settings under Minnesota Statutes, section
402.7 256B.49, subdivision 28;

402.8 (3) other policy recommendations to ensure that customized living services are being
402.9 provided in a manner consistent with the policy objectives of the foster care licensing
402.10 moratorium under Minnesota Statutes, section 245A.03, subdivision 7; and

402.11 (4) recommendations for needed statutory changes to implement the transition from
402.12 existing four-person or fewer customized living settings to corporate adult foster care or
402.13 community residential settings.

402.14 (b) The commissioner of health shall provide the commissioner of human services with
402.15 the required data to complete the report in paragraph (a) and implement the moratorium on
402.16 home and community-based services customized living settings under Minnesota Statutes,
402.17 section 256B.49, subdivision 28. The data must include, at a minimum, each registered
402.18 housing with services establishment under Minnesota Statutes, chapter 144D, enrolled as
402.19 a customized living setting to deliver customized living services as defined under the brain
402.20 injury or community access for disability inclusion waiver plans under Minnesota Statutes,
402.21 section 256B.49.

402.22 **Sec. 67. PERSONAL CARE ASSISTANCE ENHANCED RATE FOR PERSONS**
402.23 **WHO USE CONSUMER-DIRECTED COMMUNITY SUPPORTS.**

402.24 The commissioner of human services shall increase the annual budgets for participants
402.25 who use consumer-directed community supports under Minnesota Statutes, sections
402.26 256B.0913, subdivision 5, clause (17); 256B.092, subdivision 1b, paragraph (a), clause (4);
402.27 and 256B.49, subdivision 16, paragraph (c); and chapter 256S, by 7.5 percent for participants
402.28 who are determined by assessment to be eligible for ten or more hours of personal care
402.29 assistance services or community first services and supports per day when the participant
402.30 uses direct support services provided by a worker employed by the participant who has
402.31 completed training identified in Minnesota Statutes, section 256B.0659, subdivision 11,
402.32 paragraph (d), or 256B.85, subdivision 16, paragraph (e).

403.1 **EFFECTIVE DATE.** This section is effective January 1, 2022, or upon federal approval,
403.2 whichever occurs later. The commissioner of human services shall notify the revisor of
403.3 statutes when federal approval is obtained.

403.4 Sec. 68. **DIRECTION TO THE COMMISSIONER OF HUMAN SERVICES;**
403.5 **DIRECT CARE SERVICES DURING SHORT-TERM ACUTE HOSPITAL VISITS.**

403.6 The commissioner of human services, in consultation with stakeholders, shall develop
403.7 a new covered service under Minnesota Statutes, chapter 256B, or develop modifications
403.8 to existing covered services, that permits receipt of direct care services in an acute care
403.9 hospital in a manner consistent with the requirements of United States Code, title 42, section
403.10 1396a(h). By August 31, 2022, the commissioner must provide to the chairs and ranking
403.11 minority members of the house of representatives and senate committees and divisions with
403.12 jurisdiction over direct care services any draft legislation as may be necessary to implement
403.13 the new or modified covered service.

403.14 Sec. 69. **DIRECTION TO THE COMMISSIONER; SUPPORTIVE PARENTING**
403.15 **SERVICES STUDY.**

403.16 (a) The commissioner of human services shall:

403.17 (1) study the feasibility of developing and providing supportive parenting services and
403.18 providing adaptive parenting equipment to parents with disabilities and disabling conditions
403.19 under Medicaid state plan or waiver authorities; and

403.20 (2) submit a report to the chairs and ranking minority members of the legislative
403.21 committees and divisions with jurisdiction over health and human services by February 15,
403.22 2023.

403.23 (b) The report must include:

403.24 (1) an evaluation and recommendation on eligibility and service design for supportive
403.25 parenting services and adaptive parenting equipment;

403.26 (2) the estimated cost to the state of a supportive parenting service and reimbursement
403.27 for adaptive parenting equipment;

403.28 (3) draft legislative language and recommended Medicaid state plan and waiver
403.29 amendments required to implement supportive parenting services; and

403.30 (4) other information and recommendations that improve family-centered approaches
403.31 to Medicaid service design and delivery.

404.1 **EFFECTIVE DATE.** This section is effective upon federal approval of Minnesota's
404.2 initial state spending plan as described in guidance issued by the Centers for Medicare and
404.3 Medicaid Services for implementation of section 9817 of the federal American Rescue Plan
404.4 Act of 2021. The commissioner of human services shall notify the revisor of statutes when
404.5 federal approval is obtained.

404.6 **Sec. 70. PERSONAL CARE ASSISTANCE COMPENSATION FOR SERVICES**
404.7 **PROVIDED BY A PARENT OR SPOUSE.**

404.8 (a) Notwithstanding Minnesota Statutes, section 256B.0659, subdivisions 3, paragraph
404.9 (a), clause (1); 11, paragraph (c); and 19, paragraph (b), clause (3), a parent, stepparent, or
404.10 legal guardian of a minor who is a personal care assistance recipient or a spouse of a personal
404.11 care assistance recipient may provide and be paid for providing personal care assistance
404.12 services.

404.13 (b) This section expires upon the expiration of the COVID-19 public health emergency
404.14 declared by the United States Secretary of Health and Human Services.

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

404.16 **Sec. 71. DIRECTION TO COMMISSIONER; PROVIDER STANDARDS FOR**
404.17 **CUSTOMIZED LIVING SERVICES IN EXEMPT SETTINGS.**

404.18 The commissioner of human services shall review policies and provider standards for
404.19 customized living services provided in settings identified in Minnesota Statutes, section
404.20 256S.20, subdivision 1, paragraph (a), clause (2), in consultation with stakeholders. The
404.21 commissioner may provide recommendations to the chairs and ranking minority members
404.22 of the legislative committees and divisions with jurisdiction over customized living services
404.23 by February 15, 2022, regarding appropriate regulatory oversight and payment policies for
404.24 customized living services delivered in these settings.

404.25 **Sec. 72. RATE INCREASE FOR DIRECT SUPPORT SERVICES WORKFORCE.**

404.26 (a) Effective October 1, 2021, or upon federal approval, whichever is later, if the labor
404.27 agreement between the state of Minnesota and the Service Employees International Union
404.28 Healthcare Minnesota under Minnesota Statutes, section 179A.54, is approved pursuant to
404.29 Minnesota Statutes, section 3.855, the commissioner of human services shall increase:

404.30 (1) reimbursement rates, individual budgets, grants, or allocations by 4.14 percent for
404.31 services under paragraph (b) provided on or after October 1, 2021, or upon federal approval,

405.1 whichever is later, to implement the minimum hourly wage, holiday, and paid time off
405.2 provisions of that agreement;

405.3 (2) reimbursement rates, individual budgets, grants, or allocations by 2.95 percent for
405.4 services under paragraph (b) provided on or after July 1, 2022, or upon federal approval,
405.5 whichever is later, to implement the minimum hourly wage, holiday, and paid time off
405.6 provisions of that agreement;

405.7 (3) individual budgets, grants, or allocations by 1.58 percent for services under paragraph
405.8 (c) provided on or after October 1, 2021, or upon federal approval, whichever is later, to
405.9 implement the minimum hourly wage, holiday, and paid time off provisions of that
405.10 agreement; and

405.11 (4) individual budgets, grants, or allocations by .81 percent for services under paragraph
405.12 (c) provided on or after July 1, 2022, or upon federal approval, whichever is later, to
405.13 implement the minimum hourly wage, holiday, and paid time off provisions of that
405.14 agreement.

405.15 (b) The rate changes described in paragraph (a), clauses (1) and (2), apply to direct
405.16 support services provided through a covered program, as defined in Minnesota Statutes,
405.17 section 256B.0711, subdivision 1, with the exception of consumer-directed community
405.18 supports available under programs established pursuant to home and community-based
405.19 service waivers authorized under section 1915(c) of the federal Social Security Act and
405.20 Minnesota Statutes, including but not limited to chapter 256S and sections 256B.092 and
405.21 256B.49, and under the alternative care program under Minnesota Statutes, section
405.22 256B.0913. These rate changes are included within, and are not in addition to, any other
405.23 rate changes for the covered programs authorized under Minnesota Statutes, section
405.24 256B.851.

405.25 (c) The funding changes described in paragraph (a), clauses (3) and (4), apply to
405.26 consumer-directed community supports available under programs established pursuant to
405.27 home and community-based service waivers authorized under section 1915(c) of the federal
405.28 Social Security Act, and Minnesota Statutes, including but not limited to chapter 256S and
405.29 sections 256B.092 and 256B.49, and under the alternative care program under Minnesota
405.30 Statutes, section 256B.0913.

405.31 **Sec. 73. WAIVER REIMAGINE PHASE II.**

405.32 (a) The commissioner of human services must implement a two-home and
405.33 community-based services waiver program structure, as authorized under section 1915(c)

406.1 of the federal Social Security Act, that serves persons who are determined by a certified
406.2 assessor to require the levels of care provided in a nursing home, a hospital, a neurobehavioral
406.3 hospital, or an intermediate care facility for persons with developmental disabilities.

406.4 (b) The commissioner of human services must implement an individualized budget
406.5 methodology, as authorized under section 1915(c) of the federal Social Security Act, that
406.6 serves persons who are determined by a certified assessor to require the levels of care
406.7 provided in a nursing home, a hospital, a neurobehavioral hospital, or an intermediate care
406.8 facility for persons with developmental disabilities.

406.9 (c) The commissioner of human services may seek all federal authority necessary to
406.10 implement this section.

406.11 (d) The commissioner must ensure that the new waiver service menu and individual
406.12 budgets allow people to live in their own home, family home, or any home and
406.13 community-based setting of their choice. The commissioner must ensure, within available
406.14 resources and subject to state and federal regulations and law, that waiver reimagine does
406.15 not result in unintended service disruptions.

406.16 **EFFECTIVE DATE.** This section is effective July 1, 2024, or 90 days after federal
406.17 approval, whichever is later. The commissioner of human services shall notify the revisor
406.18 of statutes when federal approval is obtained.

406.19 **Sec. 74. RATE INCREASE FOR CERTAIN HOME CARE SERVICES.**

406.20 Effective January 1, 2022, or upon federal approval, whichever is later, payment rates
406.21 for home health services and home care nursing services under Minnesota Statutes, section
406.22 256B.0651, subdivision 2, clauses (1) to (3), and respiratory therapy under Minnesota Rules,
406.23 part 9505.0295, subpart 2, item E, shall be increased by five percent from the rates in effect
406.24 on December 31, 2021.

406.25 **EFFECTIVE DATE.** This section is effective January 1, 2022.

406.26 **Sec. 75. DIRECTION TO COMMISSIONER OF HUMAN SERVICES; WAIVER**
406.27 **REIMAGINE AND INFORMED CHOICE STAKEHOLDER CONSULTATION.**

406.28 Subdivision 1. **Stakeholder consultation; generally.** (a) The commissioner of human
406.29 services must consult with and seek input and assistance from stakeholders concerning
406.30 potential adjustments to the streamlined service menu from waiver reimagine phase I and
406.31 to the existing rate exemption criteria and process.

407.1 (b) The commissioner of human services must consult with and seek input and assistance
407.2 from stakeholders concerning the development and implementation of waiver reimagine
407.3 phase II, including criteria and a process for individualized budget exemptions, and how
407.4 waiver reimagine phase II can support and expand informed choice and informed decision
407.5 making, including integrated employment, independent living, and self-direction, consistent
407.6 with Minnesota Statutes, section 256B.4905.

407.7 Subd. 2. **Public stakeholder engagement.** The commissioner must offer a public method
407.8 to regularly receive input and concerns from people with disabilities and their families about
407.9 waiver reimagine phase II. The commissioner shall provide regular public updates on policy
407.10 development and on how stakeholder input was used throughout the development and
407.11 implementation of waiver reimagine phase II.

407.12 Subd. 3. **Waiver Reimagine Advisory Committee.** (a) The commissioner must convene,
407.13 at regular intervals throughout the development and implementation of waiver reimagine
407.14 phase II, a Waiver Reimagine Advisory Committee that consists of a group of diverse,
407.15 representative stakeholders. The commissioner must solicit and endeavor to include racially,
407.16 ethnically, and geographically diverse membership from each of the following groups:

407.17 (1) people with disabilities who use waiver services;

407.18 (2) family members of people who use waiver services;

407.19 (3) disability and behavioral health advocates;

407.20 (4) lead agency representatives; and

407.21 (5) waiver service providers.

407.22 (b) The Waiver Reimagine Advisory Committee must have the opportunity to assist in
407.23 developing and providing feedback on proposed plans for waiver reimagine components,
407.24 including an individual budget methodology, criteria and a process for individualized budget
407.25 exemptions, the consolidation of the four current home and community-based waiver service
407.26 programs into two-waiver programs, and other aspects of waiver reimagine phase II.

407.27 (c) The Waiver Reimagine Advisory Committee must have an opportunity to assist in
407.28 the development of and provide feedback on proposed adjustments and modifications to
407.29 the streamlined menu of services and the existing rate exception criteria and process.

407.30 Subd. 4. **Required report.** Prior to seeking federal approval for any aspect of waiver
407.31 reimagine phase II and in consultation with the Waiver Reimagine Advisory Committee,
407.32 the commissioner must submit to the chairs and ranking minority members of the legislative
407.33 committees and divisions with jurisdiction over health and human services a report on plans

408.1 for waiver reimagine phase II. The report must also include any plans to adjust or modify
408.2 the streamlined menu of services or the existing rate exemption criteria or process.

408.3 Subd. 5. **Transition process.** (a) Prior to implementation of wavier reimagine phase II,
408.4 the commissioner must establish a process to assist people who use waiver services and
408.5 lead agencies transition to a two-waiver system with an individual budget methodology.

408.6 (b) The commissioner must ensure that the new waiver service menu and individual
408.7 budgets allow people to live in their own home, family home, or any home and
408.8 community-based setting of their choice. The commissioner must ensure, within available
408.9 resources and subject to state and federal regulations and law, that waiver reimagine does
408.10 not result in unintended service disruptions.

408.11 Subd. 6. **Online support planning tool.** The commissioner must develop an online
408.12 support planning and tracking tool for people using disability waiver services that allows
408.13 access to the total budget available to the person, the services for which they are eligible,
408.14 and the services they have chosen and used. The commissioner must explore operability
408.15 options that would facilitate real-time tracking of a person's remaining available budget
408.16 throughout the service year. The online support planning tool must provide information in
408.17 an accessible format to support the person's informed choice. The commissioner must seek
408.18 input from people with disabilities about the online support planning tool prior to its
408.19 implementation.

408.20 Subd. 7. **Curriculum and training.** The commissioner must develop and implement a
408.21 curriculum and training plan to ensure all lead agency assessors and case managers have
408.22 the knowledge and skills necessary to comply with informed decision making for people
408.23 who used home and community-based disability waivers. Training and competency
408.24 evaluations must be completed annually by all staff responsible for case management as
408.25 described in Minnesota Statutes, sections 256B.092, subdivision 1a, paragraph (f), and
408.26 256B.49, subdivision 13, paragraph (e).

408.27 Sec. 76. **DIRECTION TO COMMISSIONER OF HUMAN SERVICES;**
408.28 **RESIDENTIAL SUPPORT SERVICES CRITERIA REPORT.**

408.29 The commissioner must collect data on the implementation of residential support services
408.30 criteria under Minnesota Statutes, sections 256B.092, subdivision 11a, and 256B.49,
408.31 subdivision 29, and by January 15, 2024, or 18 months following federal approval, whichever
408.32 is later, submit to the chairs and ranking minority members of the legislative committees
408.33 and divisions with jurisdiction over health and human services a report containing an analysis
408.34 of the collected data and recommendations. The report must include data on shifts in the

409.1 home and community-based service system for people who access services in their own
409.2 home and in nonprovider-controlled settings. The report must also include recommended
409.3 modifications to the criteria that align with disability waiver reconfiguration and individual
409.4 support range implementation.

409.5 Sec. 77. **SELF-DIRECTED WORKER CONTRACT RATIFICATION.**

409.6 The labor agreement between the state of Minnesota and the Service Employees
409.7 International Union Healthcare Minnesota, submitted to the Legislative Coordinating
409.8 Commission on March 1, 2021, is ratified.

409.9 Sec. 78. **REVISOR INSTRUCTION.**

409.10 The revisor of statutes shall change the headnote for Minnesota Statutes, section
409.11 256B.097, to read "REGIONAL AND SYSTEMS IMPROVEMENT FOR MINNESOTANS
409.12 WHO HAVE DISABILITIES."

409.13 Sec. 79. **REPEALER.**

409.14 (a) Minnesota Statutes 2020, sections 256B.0916, subdivisions 2, 3, 4, 5, 8, 11, and 12;
409.15 and 256B.49, subdivisions 26 and 27, are repealed effective July 1, 2024, or upon federal
409.16 approval, whichever is later. The commissioner of human services shall notify the revisor
409.17 of statutes when federal approval is obtained.

409.18 (b) Minnesota Statutes 2020, section 256B.4905, subdivisions 1, 2, 3, 4, 5, and 6, are
409.19 repealed.

409.20 (c) Minnesota Statutes 2020, section 256S.20, subdivision 2, is repealed effective August
409.21 1, 2021.

409.22 (d) Minnesota Statutes 2020, section 256B.097, subdivisions 1, 2, 3, 4, 5, and 6, are
409.23 repealed effective July 1, 2021.

409.24 (e) Laws 2019, First Special Session chapter 9, article 5, section 90, is repealed.

409.25 ARTICLE 14

409.26 MISCELLANEOUS

409.27 Section 1. **[3.9215] OMBUDSPERSON FOR AMERICAN INDIAN FAMILIES.**

409.28 Subdivision 1. **Scope.** In recognition of the sovereign status of Indian Tribes and the
409.29 unique laws and standards involved in protecting Indian children, this section creates the

410.1 Office of the Ombudsperson for American Indian Families and gives the ombudsperson the
410.2 powers and duties necessary to effectively carry out the functions of the office.

410.3 Subd. 2. **Creation.** The ombudsperson shall operate independently from and in
410.4 collaboration with the Indian Affairs Council and the American Indian Child Welfare
410.5 Advisory Council under section 260.835.

410.6 Subd. 3. **Selection; qualifications.** The ombudsperson shall be selected by the American
410.7 Indian community-specific board established in section 3.9216. The ombudsperson serves
410.8 in the unclassified service at the pleasure of the community-specific board and may be
410.9 removed only for just cause. Each ombudsperson must be selected without regard to political
410.10 affiliation and shall be a person highly competent and qualified to analyze questions of law,
410.11 administration, and public policy regarding the protection and placement of children. In
410.12 addition, the ombudsperson must be experienced in working collaboratively with the
410.13 American Indian and Alaska Native communities or nations and knowledgeable about the
410.14 needs of those communities, the Indian Child Welfare Act and Minnesota Indian Family
410.15 Preservation Act, and best practices regarding prevention, cultural resources, and historical
410.16 trauma. No individual may serve as the ombudsperson for American Indian families while
410.17 holding any other public office.

410.18 Subd. 4. **Appropriation.** Money appropriated for the ombudsperson for American Indian
410.19 families from the general fund or the special fund authorized by section 256.01, subdivision
410.20 2, paragraph (o), is under the control of the ombudsperson.

410.21 Subd. 5. **Definitions.** (a) For the purposes of this section, the following terms have the
410.22 meanings given them.

410.23 (b) "Agency" means the local district courts or a designated county social service agency
410.24 as defined in section 256G.02, subdivision 7, engaged in providing child protection and
410.25 placement services for children. Agency also means any individual, service, organization,
410.26 or program providing child protection, placement, or adoption services in coordination with
410.27 or under contract with any other entity specified in this subdivision, including guardians ad
410.28 litem.

410.29 (c) "American Indian" refers to individuals who are members of federally recognized
410.30 Tribes, eligible for membership in a federally recognized Tribe, or children or grandchildren
410.31 of a member of a federally recognized Tribe. American Indian is a political status established
410.32 through treaty rights between the federal government and Tribes. Each Tribe has a unique
410.33 culture and practices specific to the Tribe.

410.34 (d) "Facility" means any entity required to be licensed under chapter 245A.

411.1 (e) "Indian custodian" has the meaning given in United States Code, title 25, section
411.2 1903.

411.3 Subd. 6. **Organization.** (a) The ombudsperson may select, appoint, and compensate
411.4 assistants and employees that the ombudsperson finds necessary to discharge responsibilities.
411.5 All employees, except the secretarial and clerical staff, serve at the pleasure of the
411.6 ombudsperson in the unclassified service. The ombudsperson and full-time staff are members
411.7 of the Minnesota State Retirement Association.

411.8 (b) The ombudsperson may delegate to staff members or members of the American
411.9 Indian Community-Specific Board under section 3.9216 any of the ombudsperson's authority
411.10 or duties except the duty of formally making recommendations to an administrative agency
411.11 or reports to the Office of the Governor or to the legislature.

411.12 Subd. 7. **Duties and powers.** (a) The ombudsperson has the duties listed in this paragraph.

411.13 (1) The ombudsperson shall monitor agency compliance with all laws governing child
411.14 protection and placement, public education, and housing issues related to child protection
411.15 that impact American Indian children and their families. In particular, the ombudsperson
411.16 shall monitor agency compliance with sections 260.751 to 260.835; section 260C.193,
411.17 subdivision 3; and section 260C.215.

411.18 (2) The ombudsperson shall work with local state courts to ensure that:

411.19 (i) court officials, public policy makers, and service providers are trained in cultural
411.20 competency. The ombudsperson shall document and monitor court activities to heighten
411.21 awareness of diverse belief systems and family relationships;

411.22 (ii) qualified expert witnesses from the appropriate American Indian community,
411.23 including Tribal advocates, are used as court advocates and are consulted in placement
411.24 decisions that involve American Indian children; and

411.25 (iii) guardians ad litem and other individuals from American Indian communities are
411.26 recruited, trained, and used in court proceedings to advocate on behalf of American Indian
411.27 children.

411.28 (3) The ombudsperson shall primarily work on behalf of American Indian children and
411.29 families, but shall also work on behalf of any Minnesota children and families as the
411.30 ombudsperson deems necessary and appropriate.

411.31 (b) The ombudsperson has the authority to investigate decisions, acts, and other matters
411.32 of an agency, program, or facility providing protection or placement services to American

412.1 Indian children. In carrying out this authority and the duties in paragraph (a), the
412.2 ombudsperson has the power to:

412.3 (1) prescribe the methods by which complaints are made, reviewed, and acted upon;

412.4 (2) determine the scope and manner of investigations;

412.5 (3) investigate, upon a complaint or upon personal initiative, any action of any agency;

412.6 (4) request and be given access to any information in the possession of any agency

412.7 deemed necessary for the discharge of responsibilities. The ombudsperson is authorized to

412.8 set reasonable deadlines within which an agency must respond to requests for information.

412.9 Data obtained from any agency under this clause retains the classification that the data has

412.10 under section 13.02 and the ombudsperson shall maintain and disseminate the data according

412.11 to chapter 13;

412.12 (5) examine the records and documents of an agency;

412.13 (6) enter and inspect, during normal business hours, premises within the control of an

412.14 agency; and

412.15 (7) subpoena any agency personnel to appear, testify, or produce documentation or other

412.16 evidence that the ombudsperson deems relevant to a particular matter under investigation,

412.17 and petition the appropriate state court to seek enforcement of the subpoena. Any witness

412.18 at a hearing or for an investigation has the same privileges of a witness in the courts or under

412.19 the laws of this state. The ombudsperson may compel individuals who are not agency

412.20 personnel to testify or produce evidence according to procedures developed by the advisory

412.21 board.

412.22 (c) The ombudsperson may apply for grants and accept gifts, donations, and

412.23 appropriations for training relating to the duties of the ombudsperson. Grants, gifts, donations,

412.24 and appropriations received by the ombudsperson shall be used for training. The

412.25 ombudsperson may seek and apply for grants to develop new programs and initiatives and

412.26 to continue existing programs and initiatives. These funds may not be used for operating

412.27 expenses for the Office of the Ombudsperson for American Indian Families.

412.28 Subd. 8. **Matters appropriate for review.** (a) In selecting matters for review, an

412.29 ombudsperson should give particular attention to actions of an agency, facility, or program

412.30 that:

412.31 (1) may be contrary to law or rule;

413.1 (2) may be unreasonable, unfair, oppressive, or inconsistent with a policy or order of an
413.2 agency, facility, or program;

413.3 (3) may result in abuse or neglect of a child;

413.4 (4) may disregard the rights of a child or another individual served by an agency or
413.5 facility; or

413.6 (5) may be unclear or inadequately explained, when reasons should have been revealed.

413.7 (b) The ombudsperson shall, in selecting matters for review, inform other interested
413.8 agencies in order to avoid duplicating other investigations or regulatory efforts, including
413.9 activities undertaken by a Tribal organization under the authority of sections 260.751 to
413.10 260.835.

413.11 Subd. 9. **Complaints.** The ombudsperson may receive a complaint from any source
413.12 concerning an action of an agency, facility, or program. After completing a review, the
413.13 ombudsperson shall inform the complainant, agency, facility, or program. Services to a
413.14 child shall not be unfavorably altered as a result of an investigation or complaint. An agency,
413.15 facility, or program shall not retaliate or take adverse action, as defined in section 260E.07,
413.16 against an individual who, in good faith, makes a complaint or assists in an investigation.

413.17 Subd. 10. **Recommendations to agency.** (a) If, after reviewing a complaint or conducting
413.18 an investigation and considering the response of an agency, facility, or program and any
413.19 other pertinent material, the ombudsperson determines that the complaint has merit or that
413.20 the investigation reveals a problem, the ombudsperson may recommend that the agency,
413.21 facility, or program:

413.22 (1) consider the matter further;

413.23 (2) modify or cancel its actions;

413.24 (3) alter a rule, order, or internal policy;

413.25 (4) explain more fully the action in question; or

413.26 (5) take other action as authorized under section 257.0762.

413.27 (b) At the ombudsperson's request, the agency, facility, or program shall, within a
413.28 reasonable time, inform the ombudsperson about the action taken on the recommendation
413.29 or the reasons for not complying with the recommendation.

413.30 (c) Data obtained from any agency under this section retains the classification that the
413.31 data has under section 13.02, and the ombudsperson shall maintain and disseminate the data
413.32 according to chapter 13.

414.1 Subd. 11. **Recommendations and public reports.** (a) The ombudsperson may send
414.2 conclusions and suggestions concerning any reviewed matter to the governor and shall
414.3 provide copies of all reports to the advisory board and to the groups specified in section
414.4 257.0768, subdivision 1. Before making public a conclusion or recommendation that
414.5 expressly or implicitly criticizes an agency, facility, program, or any person, the
414.6 ombudsperson shall inform the governor and the affected agency, facility, program, or
414.7 person concerning the conclusion or recommendation. When sending a conclusion or
414.8 recommendation to the governor that is adverse to an agency, facility, program, or any
414.9 person, the ombudsperson shall include any statement of reasonable length made by that
414.10 agency, facility, program, or person in defense or mitigation of the ombudsperson's
414.11 conclusion or recommendation.

414.12 (b) In addition to conclusions or recommendations that the ombudsperson makes to the
414.13 governor on an ad hoc basis, the ombudsperson shall, at the end of each year, report to the
414.14 governor concerning the exercise of the ombudsperson's functions during the preceding
414.15 year.

414.16 Subd. 12. **Civil actions.** The ombudsperson and designees are not civilly liable for any
414.17 action taken under this section if the action was taken in good faith, was within the scope
414.18 of the ombudsperson's authority, and did not constitute willful or reckless misconduct.

414.19 Subd. 13. **Use of funds.** Any funds received by the ombudsperson from any source may
414.20 be used to compensate members of the American Indian community-specific board for
414.21 reasonable and necessary expenses incurred in aiding and assisting the ombudsperson in
414.22 programs and initiatives.

414.23 Sec. 2. **[3.9216] AMERICAN INDIAN COMMUNITY-SPECIFIC BOARD.**

414.24 Subdivision 1. **Membership.** The board consists of five members who are members of
414.25 a federally recognized Tribe or members of the American Indian community. The chair of
414.26 the Indian Affairs Council shall appoint the members of the board. In making appointments,
414.27 the chair must consult with other members of the council.

414.28 Subd. 2. **Compensation.** Members do not receive compensation but are entitled to
414.29 receive reimbursement for reasonable and necessary expenses incurred doing board-related
414.30 work, including travel for meetings, trainings, and presentations. Board members may also
414.31 receive per diem payments in a manner and amount prescribed by the board.

415.1 Subd. 3. Meetings. The board shall meet regularly at the request of the appointing chair,
415.2 board chair, or ombudsperson. The board must meet at least quarterly. The appointing chair,
415.3 board chair, or ombudsperson may also call special or emergency meetings as necessary.

415.4 Subd. 4. Removal and vacancy. (a) A member may be removed by the appointing
415.5 authority at any time, either for cause, as described in paragraph (b), or after missing three
415.6 consecutive meetings, as described in paragraph (c).

415.7 (b) If a removal is for cause, the member must be given notice and an opportunity for a
415.8 hearing before removal.

415.9 (c) After a member misses two consecutive meetings, and before the next meeting, the
415.10 board chair shall notify the member in writing that the member may be removed if the
415.11 member misses the next meeting. If a member misses three consecutive meetings, the board
415.12 chair must notify the appointing authority.

415.13 (d) If there is a vacancy on the board, the appointing authority shall appoint a person to
415.14 fill the vacancy for the remainder of the unexpired term.

415.15 Subd. 5. Duties. (a) The board shall appoint the Ombudsperson for American Indian
415.16 Families and shall advise and assist the ombudsperson in various ways, including, but not
415.17 limited to:

415.18 (1) selecting matters for attention;

415.19 (2) developing policies, plans, and programs to carry out the ombudsperson's functions
415.20 and powers;

415.21 (3) attending policy meetings when requested by the ombudsperson;

415.22 (4) establishing protocols for working with American Indian communities;

415.23 (5) developing procedures for the ombudsperson's use of the subpoena power to compel
415.24 testimony and evidence from individuals who are not agency personnel; and

415.25 (6) making reports and recommendations for changes designed to improve standards of
415.26 competence, efficiency, justice, and protection of rights.

415.27 (b) The board shall not make individual case recommendations.

415.28 Subd. 6. Grants, gifts, donations, and appropriations. The board may apply for grants
415.29 for the purpose of training and educating the American Indian community on child protection
415.30 issues involving American Indian families. The board may also accept gifts, donations, and
415.31 appropriations for training and education. Grants, gifts, donations, and appropriations
415.32 received by the board shall be used for training and education purposes. The board may

416.1 seek and apply for grants to develop new programs and initiatives and to continue existing
416.2 programs and initiatives. These funds may also be used to reimburse board members for
416.3 reasonable and necessary expenses incurred in aiding and assisting the Office of the
416.4 Ombudsperson for American Indian Families in Office of the Ombudsperson for American
416.5 Indian Families programs and initiatives, but may not be used for operating expenses for
416.6 the Office of Ombudsperson for American Indian Families.

416.7 Subd. 7. **Terms and expiration.** The terms and expiration of board membership are
416.8 governed by section 15.0575.

416.9 Sec. 3. **[119B.195] RETAINING EARLY EDUCATORS THROUGH ATTAINING**
416.10 **INCENTIVES NOW (REETAIN) GRANT PROGRAM.**

416.11 Subdivision 1. **Establishment; purpose.** The retaining early educators through attaining
416.12 incentives now (REETAIN) grant program is established to provide competitive grants to
416.13 incentivize well-trained child care professionals to remain in the workforce. The overall
416.14 goal of the REETAIN grant program is to create more consistent care for children over time.

416.15 Subd. 2. **Administration.** The commissioner shall administer the REETAIN grant
416.16 program through a grant to a nonprofit with the demonstrated ability to manage benefit
416.17 programs for child care professionals. Up to ten percent of grant money may be used for
416.18 administration of the grant program.

416.19 Subd. 3. **Application.** Applicants must apply for the REETAIN grant program using
416.20 the forms and according to timelines established by the commissioner.

416.21 Subd. 4. **Eligibility.** (a) To be eligible for a grant, an applicant must:

416.22 (1) be licensed to provide child care or work for a licensed child care program;

416.23 (2) work directly with children at least 30 hours per week;

416.24 (3) have worked in the applicant's current position for at least 12 months;

416.25 (4) agree to work in the early childhood care and education field for at least 12 months
416.26 upon receiving a grant under this section;

416.27 (5) have a career lattice step of five or higher;

416.28 (6) have a current membership with the Minnesota quality improvement and registry
416.29 tool;

416.30 (7) not be a current teacher education and compensation helps scholarship recipient; and

416.31 (8) meet any other requirements determined by the commissioner.

417.1 (b) Grant recipients must sign a contract agreeing to remain in the early childhood care
 417.2 and education field for 12 months.

417.3 Subd. 5. **Grant awards.** Grant awards must be made annually and may be made up to
 417.4 an amount per recipient determined by the commissioner. Grant recipients may use grant
 417.5 money for program supplies, training, or personal expenses.

417.6 Subd. 6. **Report.** By January 1 each year, the commissioner must report to the legislative
 417.7 committees with jurisdiction over child care about the number of grants awarded to recipients
 417.8 and outcomes of the grant program since the last report.

417.9 Sec. 4. Minnesota Statutes 2020, section 124D.142, is amended to read:

417.10 **124D.142 QUALITY RATING AND IMPROVEMENT SYSTEM.**

417.11 Subdivision 1. **System established.** ~~(a)~~ There is established a quality rating and
 417.12 improvement system (QRIS) framework, known as Parent Aware, to ensure that Minnesota's
 417.13 children have access to high-quality early learning and care programs in a range of settings
 417.14 so that they are fully ready for kindergarten by 2020. ~~Creation of a standards-based voluntary~~
 417.15 ~~quality rating and improvement system includes:~~

417.16 Subd. 2. **System components.** The standards-based voluntary quality rating and
 417.17 improvement system includes:

417.18 (1) quality opportunities in order to improve the educational outcomes of children so
 417.19 that they are ready for school. ~~The;~~

417.20 (2) a framework ~~shall be~~ based on the Minnesota quality rating system rating tool and
 417.21 a common set of child outcome and program standards ~~and~~ informed by evaluation results;

417.22 ~~(2)~~ (3) a tool to increase the number of publicly funded and regulated early learning and
 417.23 care services in both public and private market programs that are high quality. ~~If;~~

417.24 (4) voluntary participation ensuring that if a program or provider chooses to participate,
 417.25 the program or provider will be rated and may receive public funding associated with the
 417.26 rating. ~~The state shall develop a plan to link future early learning and care state funding to~~
 417.27 ~~the framework in a manner that complies with federal requirements; and~~

417.28 ~~(3)~~ (5) tracking progress toward statewide access to high-quality early learning and care
 417.29 programs, progress toward the number of low-income children whose parents can access
 417.30 quality programs, and progress toward increasing the number of children who are fully
 417.31 prepared to enter kindergarten.

418.1 ~~(b) In planning a statewide quality rating and improvement system framework in~~
418.2 ~~paragraph (a), the state shall use evaluation results of the Minnesota quality rating system~~
418.3 ~~rating tool in use in fiscal year 2008 to recommend:~~

418.4 ~~(1) a framework of a common set of child outcome and program standards for a voluntary~~
418.5 ~~statewide quality rating and improvement system;~~

418.6 ~~(2) a plan to link future funding to the framework described in paragraph (a), clause (2);~~
418.7 ~~and~~

418.8 ~~(3) a plan for how the state will realign existing state and federal administrative resources~~
418.9 ~~to implement the voluntary quality rating and improvement system framework. The state~~
418.10 ~~shall provide the recommendation in this paragraph to the early childhood education finance~~
418.11 ~~committees of the legislature by March 15, 2011.~~

418.12 ~~(e) Prior to the creation of a statewide quality rating and improvement system in paragraph~~
418.13 ~~(a), the state shall employ the Minnesota quality rating system rating tool in use in fiscal~~
418.14 ~~year 2008 in the original Minnesota Early Learning Foundation pilot areas and additional~~
418.15 ~~pilot areas supported by private or public funds with its modification as a result of the~~
418.16 ~~evaluation results of the pilot project.~~

418.17 Subd. 3. **Evaluation.** (a) By February 1, 2022, the commissioner of human services
418.18 must arrange an independent evaluation of the quality rating and improvement system's
418.19 effectiveness and impact on:

418.20 (1) children's progress toward school readiness;

418.21 (2) the quality of the early learning and care system supply and workforce;

418.22 (3) parents' ability to access and use meaningful information about early learning and
418.23 care program quality; and

418.24 (4) providers' ability to serve children and families, including those from racially,
418.25 ethnically, or culturally diverse backgrounds.

418.26 (b) The evaluation must be performed by a staff member from another agency or a
418.27 consultant. An evaluator must have experience in program evaluation and must not be
418.28 regularly involved in implementing the quality rating and improvement system.

418.29 (c) The evaluation findings, along with the commissioner's recommendations for
418.30 revisions, potential future evaluations, and plans for continuous improvement, must be
418.31 reported to the chairs and ranking minority members of the legislative committees with
418.32 jurisdiction over early childhood programs by December 31, 2024.

419.1 (d) At a minimum, the evaluation must:

419.2 (1) analyze the effectiveness of the quality rating and improvement system, including
419.3 but not limited to reviewing:

419.4 (i) whether quality indicators and measures used in the quality rating and improvement
419.5 system are consistent with evidence and research findings on early learning and care program
419.6 quality; and

419.7 (ii) patterns or differences in observed quality of participating early learning and care
419.8 programs in comparison to programs at other quality rating and improvement system star
419.9 rating levels and accounting for other factors;

419.10 (2) perform evidence-based assessments of children's developmental gains aligned with
419.11 the state early childhood indicators of progress, including in ways that are appropriate for
419.12 children's linguistic and cultural backgrounds;

419.13 (3) analyze the extent to which differences in developmental gains among children
419.14 correspond to the star ratings of the early learning and care programs, providing disaggregated
419.15 findings by:

419.16 (i) children's demographic factors, including geographic area, family income level, and
419.17 racial and ethnic groups;

419.18 (ii) type of provider, including family child care providers, child care centers, Head Start
419.19 and Early Head Start, and school-based early childhood providers; and

419.20 (iii) any other categories identified by the commissioner, in consultation with the
419.21 commissioners of health and education or the entity performing the evaluation;

419.22 (4) analyze the accessibility for providers to participate in the quality rating and
419.23 improvement system, including ease of application and supports for a provider to receive
419.24 or improve a rating, and provide disaggregated findings by children's demographic factors
419.25 and type of provider, as each is defined in clause (3);

419.26 (5) analyze the availability of providers participating in the quality rating and
419.27 improvement system to families, and provide disaggregated findings by children's
419.28 demographic factors and type of provider, as each is defined in clause (3);

419.29 (6) analyze the degree to which the quality rating and improvement system accounts for
419.30 racial, cultural, linguistic, and ethnic diversity when measuring quality; and

420.1 (7) analyze the impact of financial or administrative requirements of the quality rating
420.2 and improvement system on family child care providers and child care providers, including
420.3 those providers serving racially, ethnically, and culturally diverse communities.

420.4 (e) The evaluation must include a comparison of the quality rating and improvement
420.5 system with at least three other quality metric systems used in other states. The other chosen
420.6 metric systems must incorporate methods of assessing and monitoring developmental and
420.7 achievement benchmarks in early care and education settings to assess kindergarten readiness,
420.8 including for racially, ethnically, and culturally diverse populations.

420.9 Subd. 4. **Equity report.** The Department of Human Services shall conduct outreach to
420.10 a racially, ethnically, culturally, and geographically diverse group of early learning and care
420.11 providers to identify any barriers that prevent the providers from pursuing a Parent Aware
420.12 rating. The department shall summarize and submit the results of the outreach, along with
420.13 a plan for reducing those barriers, to the chairs and ranking minority members of the
420.14 legislative committees with jurisdiction over early learning and care programs by March 1,
420.15 2022.

420.16 Sec. 5. Minnesota Statutes 2020, section 136A.128, subdivision 2, is amended to read:

420.17 Subd. 2. **Program components.** (a) The nonprofit organization must use the grant for:

420.18 (1) tuition scholarships up to ~~\$5,000~~ \$10,000 per year for courses leading to the nationally
420.19 recognized child development associate credential or college-level courses leading to an
420.20 associate's degree or bachelor's degree in early childhood development and school-age care;
420.21 and

420.22 (2) education incentives of a minimum of ~~\$100~~ \$250 to participants in the tuition
420.23 scholarship program if they complete a year of working in the early care and education
420.24 field.

420.25 (b) Applicants for the scholarship must be employed by a licensed early childhood or
420.26 child care program and working directly with children, a licensed family child care provider,
420.27 employed by a public prekindergarten program, or an employee in a school-age program
420.28 exempt from licensing under section 245A.03, subdivision 2, paragraph (a), clause (12).
420.29 Lower wage earners must be given priority in awarding the tuition scholarships. Scholarship
420.30 recipients must contribute at least ten percent of the total scholarship and must be sponsored
420.31 by their employers, who must also contribute ~~ten~~ at least five percent of the total scholarship.
420.32 Scholarship recipients who are self-employed must contribute 20 percent of the total
420.33 scholarship.

421.1 Sec. 6. Minnesota Statutes 2020, section 136A.128, subdivision 4, is amended to read:

421.2 Subd. 4. **Administration.** A nonprofit organization that receives a grant under this
421.3 section may use ~~five~~ ten percent of the grant amount to administer the program.

421.4 Sec. 7. Minnesota Statutes 2020, section 256.041, is amended to read:

421.5 **256.041 CULTURAL AND ETHNIC COMMUNITIES LEADERSHIP COUNCIL.**

421.6 Subdivision 1. **Establishment; purpose.** There is hereby established the Cultural and
421.7 Ethnic Communities Leadership Council for the Department of Human Services. The purpose
421.8 of the council is to advise the commissioner of human services on ~~reducing~~ implementing
421.9 strategies to reduce inequities and disparities that particularly affect racial and ethnic groups
421.10 in Minnesota.

421.11 Subd. 2. **Members.** (a) The council must consist of:

421.12 (1) the chairs and ranking minority members of the committees in the house of
421.13 representatives and the senate with jurisdiction over human services; and

421.14 (2) no fewer than 15 and no more than 25 members appointed by and serving at the
421.15 pleasure of the commissioner of human services, in consultation with county, tribal, cultural,
421.16 and ethnic communities; diverse program participants; ~~and~~ parent representatives from these
421.17 communities; and cultural and ethnic communities leadership council members.

421.18 (b) In making appointments under this section, the commissioner shall give priority
421.19 consideration to public members of the legislative councils of color established under ~~chapter~~
421.20 3 section 15.0145.

421.21 (c) Members must be appointed to allow for representation of the following groups:

421.22 (1) racial and ethnic minority groups;

421.23 (2) the American Indian community, which must be represented by two members;

421.24 (3) culturally and linguistically specific advocacy groups and service providers;

421.25 (4) human services program participants;

421.26 (5) public and private institutions;

421.27 (6) parents of human services program participants;

421.28 (7) members of the faith community;

421.29 (8) Department of Human Services employees; and

422.1 (9) any other group the commissioner deems appropriate to facilitate the goals and duties
422.2 of the council.

422.3 Subd. 3. **Guidelines.** The commissioner shall direct the development of guidelines
422.4 defining the membership of the council; setting out definitions; and developing duties of
422.5 the commissioner, the council, and council members regarding racial and ethnic disparities
422.6 reduction. The guidelines must be developed in consultation with:

422.7 (1) the chairs of relevant committees; and

422.8 (2) county, tribal, and cultural communities and program participants from these
422.9 communities.

422.10 Subd. 4. **Chair.** The commissioner shall accept recommendations from the council to
422.11 appoint a chair or chairs.

422.12 ~~Subd. 5. **Terms for first appointees.** The initial members appointed shall serve until~~
422.13 ~~January 15, 2016.~~

422.14 Subd. 6. **Terms.** A term shall be for two years and appointees may be reappointed to
422.15 serve two additional terms. The commissioner shall make appointments to replace members
422.16 vacating their positions by January 15 of each year in a timely manner, no more than three
422.17 months after the council reviews panel recommendations.

422.18 Subd. 7. **Duties of commissioner.** (a) The commissioner of human services or the
422.19 commissioner's designee shall:

422.20 (1) maintain and actively engage with the council established in this section;

422.21 (2) supervise and coordinate policies for persons from racial, ethnic, cultural, linguistic,
422.22 and tribal communities who experience disparities in access and outcomes;

422.23 (3) identify human services rules or statutes affecting persons from racial, ethnic, cultural,
422.24 linguistic, and tribal communities that may need to be revised;

422.25 (4) investigate and implement cost-effective, equitable, and culturally responsive models
422.26 of service delivery ~~such as~~ including careful adaptation adoption of clinically proven services
422.27 ~~that constitute one strategy for increasing~~ to increase the number of culturally relevant
422.28 services available to currently underserved populations; ~~and~~

422.29 (5) based on recommendations of the council, review identified department policies that
422.30 maintain racial, ethnic, cultural, linguistic, and tribal disparities, ~~and~~ make adjustments to
422.31 ensure those disparities are not perpetuated; and advise the department on progress and
422.32 accountability measures for addressing inequities;

423.1 (6) in partnership with the council, renew and implement equity policy with action plans
 423.2 and resources necessary to implement the action plans;

423.3 (7) support interagency collaboration to advance equity;

423.4 (8) address the council at least twice annually on the state of equity within the department;
 423.5 and

423.6 (9) support member participation in the council, including participation in educational
 423.7 and community engagement events across Minnesota that address equity in human services.

423.8 (b) The commissioner of human services or the commissioner's designee shall consult
 423.9 with the council and receive recommendations from the council when meeting the
 423.10 requirements in this subdivision.

423.11 Subd. 8. **Duties of council.** The council shall:

423.12 (1) recommend to the commissioner for review ~~identified policies in the~~ Department of
 423.13 Human Services policy, budgetary, and operational decisions and practices that maintain
 423.14 impact racial, ethnic, cultural, linguistic, and tribal disparities;

423.15 (2) with community input, advance legislative proposals to improve racial and health
 423.16 equity outcomes;

423.17 (3) identify issues regarding inequities and disparities by engaging diverse populations
 423.18 in human services programs;

423.19 ~~(3)~~ (4) engage in mutual learning essential for achieving human services parity and
 423.20 optimal wellness for service recipients;

423.21 ~~(4)~~ (5) raise awareness about human services disparities to the legislature and media;

423.22 ~~(5)~~ (6) provide technical assistance and consultation support to counties, private nonprofit
 423.23 agencies, and other service providers to build their capacity to provide equitable human
 423.24 services for persons from racial, ethnic, cultural, linguistic, and tribal communities who
 423.25 experience disparities in access and outcomes;

423.26 ~~(6)~~ (7) provide technical assistance to promote statewide development of culturally and
 423.27 linguistically appropriate, accessible, and cost-effective human services and related policies;

423.28 ~~(7) provide~~ (8) recommend and monitor training and outreach to facilitate access to
 423.29 culturally and linguistically appropriate, accessible, and cost-effective human services to
 423.30 prevent disparities;

424.1 ~~(8) facilitate culturally appropriate and culturally sensitive admissions, continued services,~~
 424.2 ~~discharges, and utilization review for human services agencies and institutions;~~

424.3 (9) form work groups to help carry out the duties of the council that include, but are not
 424.4 limited to, persons who provide and receive services and representatives of advocacy groups,
 424.5 and provide the work groups with clear guidelines, standardized parameters, and tasks for
 424.6 the work groups to accomplish;

424.7 (10) promote information sharing in the human services community and statewide; and

424.8 (11) by February 15 ~~each year~~ in the second year of the biennium, prepare and submit
 424.9 to the chairs and ranking minority members of the committees in the house of representatives
 424.10 and the senate with jurisdiction over human services a report that summarizes the activities
 424.11 of the council, identifies the major problems and issues confronting racial and ethnic groups
 424.12 in accessing human services, makes recommendations to address issues, and lists the specific
 424.13 objectives that the council seeks to attain during the next biennium, and recommendations
 424.14 to strengthen equity, diversity, and inclusion within the department. The report must also
 424.15 ~~include a list of programs, groups, and grants used to reduce disparities, and statistically~~
 424.16 ~~valid reports of outcomes on the reduction of the disparities.~~ identify racial and ethnic groups'
 424.17 difficulty in accessing human services and make recommendations to address the issues.
 424.18 The report must include any updated Department of Human Services equity policy,
 424.19 implementation plans, equity initiatives, and the council's progress.

424.20 Subd. 9. **Duties of council members.** The members of the council shall:

424.21 (1) attend ~~and~~ scheduled meetings with no more than three absences per year, participate
 424.22 in scheduled meetings, and be prepared by reviewing meeting notes;

424.23 (2) maintain open communication channels with respective constituencies;

424.24 (3) identify and communicate issues and risks that could impact the timely completion
 424.25 of tasks;

424.26 (4) collaborate on inequity and disparity reduction efforts;

424.27 (5) communicate updates of the council's work progress and status on the Department
 424.28 of Human Services website; ~~and~~

424.29 (6) participate in any activities the council or chair deems appropriate and necessary to
 424.30 facilitate the goals and duties of the council; and

424.31 (7) participate in work groups to carry out council duties.

424.32 Subd. 10. **Expiration.** The council expires on June 30, ~~2022~~ 2025.

425.1 Subd. 11. **Compensation.** Compensation for members of the council is governed by
425.2 section 15.059, subdivision 3.

425.3 Sec. 8. Minnesota Statutes 2020, section 257.0755, subdivision 1, is amended to read:

425.4 Subdivision 1. **Creation.** Each ombudsperson shall operate independently from but in
425.5 collaboration with the community-specific board that appointed the ombudsperson under
425.6 section 257.0768: ~~the Indian Affairs Council~~, the Minnesota Council on Latino Affairs, the
425.7 Council for Minnesotans of African Heritage, and the Council on Asian-Pacific Minnesotans.

425.8 Sec. 9. Minnesota Statutes 2020, section 257.076, subdivision 3, is amended to read:

425.9 Subd. 3. **Communities of color.** "Communities of color" means the following: ~~American~~
425.10 ~~Indian~~, Hispanic-Latino, Asian-Pacific, African, and African-American communities.

425.11 Sec. 10. Minnesota Statutes 2020, section 257.076, subdivision 5, is amended to read:

425.12 Subd. 5. **Family of color.** "Family of color" means any family with a child under the
425.13 age of 18 who is identified by one or both parents or another trusted adult to be of ~~American~~
425.14 ~~Indian~~, Hispanic-Latino, Asian-Pacific, African, or African-American descent.

425.15 Sec. 11. Minnesota Statutes 2020, section 257.0768, subdivision 1, is amended to read:

425.16 Subdivision 1. **Membership.** ~~Four~~ Three community-specific boards are created. Each
425.17 board consists of five members. The chair of each of the following groups shall appoint the
425.18 board for the community represented by the group: ~~the Indian Affairs Council~~; the Minnesota
425.19 Council on Latino Affairs; the Council for Minnesotans of African Heritage; and the Council
425.20 on Asian-Pacific Minnesotans. In making appointments, the chair must consult with other
425.21 members of the council.

425.22 Sec. 12. Minnesota Statutes 2020, section 257.0768, subdivision 6, is amended to read:

425.23 Subd. 6. **Joint meetings.** The members of the ~~four~~ three community-specific boards
425.24 shall meet jointly at least four times each year to advise the ombudspersons on overall
425.25 policies, plans, protocols, and programs for the office.

425.26 Sec. 13. Minnesota Statutes 2020, section 257.0769, is amended to read:

425.27 **257.0769 FUNDING FOR THE OMBUDSPERSON PROGRAM.**

425.28 Subdivision 1. **Appropriations.** (a) ~~money is appropriated from \$23,000 from the special~~
425.29 ~~fund~~ account authorized by section 256.01, subdivision 2, paragraph (o), is annually

426.1 appropriated to the ~~Indian Affairs Council~~ Office of Ombudsperson for American Indian
426.2 Families for the ~~purposes~~ purpose of sections ~~257.0755 to 257.0768~~ section 3.9215.

426.3 (b) ~~money is appropriated from \$69,000 from the special fund account~~ authorized by
426.4 section 256.01, subdivision 2, paragraph (o), is annually appropriated to the ~~Minnesota~~
426.5 ~~Council on Latino Affairs~~ Office of Ombudsperson for Families for the purposes of sections
426.6 257.0755 to 257.0768.

426.7 (c) ~~Money is appropriated from the special fund authorized by section 256.01, subdivision~~
426.8 ~~2, paragraph (o), to the Council for Minnesotans of African Heritage for the purposes of~~
426.9 ~~sections 257.0755 to 257.0768.~~

426.10 (d) ~~Money is appropriated from the special fund authorized by section 256.01, subdivision~~
426.11 ~~2, paragraph (o), to the Council on Asian-Pacific Minnesotans for the purposes of sections~~
426.12 ~~257.0755 to 257.0768.~~

426.13 Subd. 2. **Title IV-E reimbursement.** The commissioner shall obtain federal title IV-E
426.14 financial participation for eligible activity by the ombudsperson for families under section
426.15 257.0755 and the ombudsperson for American Indian families under section 3.9215. The
426.16 ombudsperson for families and the ombudsperson for American Indian families shall maintain
426.17 and transmit to the Department of Human Services documentation that is necessary in order
426.18 to obtain federal funds.

426.19 Sec. 14. **TRANSFER OF MONEY.**

426.20 Before the end of fiscal year 2021, the Office of the Ombudsperson for Families must
426.21 transfer to the Office of the Ombudsperson for American Indian Families any remaining
426.22 money designated for use by the Ombudsperson for American Indian Families. This section
426.23 is cost-neutral.

426.24 Sec. 15. **CHILDREN WITH DISABILITIES INCLUSIVE CHILD CARE ACCESS**
426.25 **EXPANSION GRANT PROGRAM.**

426.26 Subdivision 1. Establishment. (a) The commissioner of human services shall establish
426.27 a competitive grant program to expand access to licensed family child care providers or
426.28 licensed child care centers for children with disabilities including medical complexities.
426.29 The commissioner shall award grants to counties or Tribes, including at least one county
426.30 from the seven-county metropolitan area and at least one county or Tribe outside the
426.31 seven-county metropolitan area, and grant funds shall be used to enable child care providers
426.32 to develop an inclusive child care setting and offer care to children with disabilities and

427.1 children without disabilities. Grants shall be awarded to at least two applicants beginning
427.2 no later than January 15, 2022.

427.3 (b) For purposes of this section, "child with a disability" means a child who has a
427.4 substantial delay or has an identifiable physical, medical, emotional, or mental condition
427.5 that hinders development.

427.6 (c) For purposes of this section, "inclusive child care setting" means child care provided
427.7 in a manner that serves children with disabilities in the same setting as children without
427.8 disabilities.

427.9 Subd. 2. Commissioner's duties. To administer the grant program, the commissioner
427.10 shall:

427.11 (1) consult with relevant stakeholders to develop a request for proposals that at least
427.12 requires grant applicants to identify the items or services and estimated accompanying costs,
427.13 where possible, needed to expand access to inclusive child care settings for children with
427.14 disabilities;

427.15 (2) develop procedures for data collection, qualitative and quantitative measurement of
427.16 grant program outcomes, and reporting requirements for grant recipients;

427.17 (3) convene a working group of grant recipients, partner child care providers, and
427.18 participating families to assess progress on grant activities, share best practices, and collect
427.19 and review data on grant activities; and

427.20 (4) by February 1, 2023, provide a report to the chairs and ranking minority members
427.21 of the legislative committees with jurisdiction over early childhood programs on the activities
427.22 and outcomes of the grant program with legislative recommendations for implementing
427.23 inclusive child care settings statewide. The report shall be made available to the public.

427.24 Subd. 3. Grant activities. Grant recipients shall use grant funds for the cost of facility
427.25 modifications, resources, or services necessary to expand access to inclusive child care
427.26 settings for children with disabilities, including:

427.27 (1) onetime needs to equip a child care setting to serve children with disabilities, including
427.28 but not limited to environmental modifications; accessibility modifications; sensory
427.29 adaptation; training materials and staff time for training, including for substitutes; or
427.30 equipment purchases, including durable medical equipment;

427.31 (2) ongoing medical- or disability-related services for children with disabilities in
427.32 inclusive child care settings, including but not limited to mental health supports; inclusion
427.33 specialist services; home care nursing; behavioral supports; coaching or training for staff

428.1 and substitutes; substitute teaching time; or additional child care staff, an enhanced rate, or
428.2 another mechanism to increase staff-to-child ratio; and

428.3 (3) other expenses determined by the grant recipient and each partner child care provider
428.4 to be necessary to establish an inclusive child care setting and serve children with disabilities
428.5 at the provider's location.

428.6 Subd. 4. **Requirements for grant recipients.** Upon receipt of grant funds and throughout
428.7 the grant period, grant recipients shall:

428.8 (1) partner with at least two but no more than five child care providers, each of which
428.9 must meet one of the following criteria:

428.10 (i) serve 29 or fewer children, including at least two children with a disability who are
428.11 not a family member of the child care provider if the participating child care provider is a
428.12 family child care provider; or

428.13 (ii) serve more than 30 children, including at least three children with a disability;

428.14 (2) develop and follow a process to ensure that grant funding is used to support children
428.15 with disabilities who, without the additional supports made available through the grant,
428.16 would have difficulty accessing an inclusive child care setting;

428.17 (3) pursue funding for ongoing services needed for children with disabilities in inclusive
428.18 child care settings, such as Medicaid or private health insurance coverage; additional grant
428.19 funding; or other funding sources;

428.20 (4) explore and seek opportunities to use existing federal funds to provide ongoing
428.21 support to family child care providers or child care centers serving children with disabilities.
428.22 Grant recipients shall seek to minimize family financial obligations for child care for a child
428.23 with disabilities beyond what child care would cost for a child without disabilities; and

428.24 (5) identify and utilize training resources for child care providers, where available and
428.25 applicable, for at least one of the grant recipient's partner child care providers.

428.26 Subd. 5. **Reporting.** Grant recipients shall report to the commissioner every six months,
428.27 in a manner specified by the commissioner, on the following:

428.28 (1) the number, type, and cost of additional supports needed to serve children with
428.29 disabilities in inclusive child care settings;

428.30 (2) best practices for billing;

428.31 (3) availability and use of funding sources other than through the grant program;

429.1 (4) processes for identifying families of children with disabilities who could benefit
429.2 from grant activities and connecting them with a child care provider interested in serving
429.3 them;

429.4 (5) processes and eligibility criteria used to determine whether a child is a child with a
429.5 disability and means of prioritizing grant funding to serve children with significant support
429.6 needs associated with their disability; and

429.7 (6) any other information deemed relevant by the commissioner.

429.8 **Sec. 16. DIRECTION TO COMMISSIONER OF HUMAN SERVICES; FAMILY**
429.9 **CHILD CARE SHARED SERVICES INNOVATION GRANTS.**

429.10 The commissioner of human services shall establish a grant program to test strategies
429.11 by which family child care providers may share services and thereby achieve economies of
429.12 scale. The commissioner shall report the results of the grant program to the legislative
429.13 committees with jurisdiction over early care and education programs.

429.14 **Sec. 17. DIRECTION TO COMMISSIONER OF HUMAN SERVICES; FOSTER**
429.15 **FAMILY RECRUITMENT AND LICENSING TECHNOLOGY REQUEST FOR**
429.16 **INFORMATION.**

429.17 The commissioner of human services shall publish a request for information to identify
429.18 available technology to support foster family recruitment and training through an online
429.19 portal for potential foster families to apply for licensure online, including the potential costs
429.20 for implementing the technology. The technology shall enable relative families of foster
429.21 youth to apply online and receive real-time support through the online application software;
429.22 offer content in multiple languages; enable tracking of users' ethnic identity to identify
429.23 potential gaps in recruitment and to ensure racial equity in serving foster families; and
429.24 recognize Tribal government sovereignty over data control and recruiting and licensing of
429.25 families to support children in their community. By January 15, 2022, the commissioner
429.26 shall report to the chairs and ranking minority members of the legislative committees with
429.27 jurisdiction over human services on responses received in response to the request for
429.28 information.

430.1 Sec. 18. **AFFORDABLE, HIGH-QUALITY EARLY CARE AND EDUCATION**
430.2 **FOR ALL FAMILIES.**

430.3 Subdivision 1. Goal. It is the goal of the state for all families to have access to affordable,
430.4 high-quality early care and education that enriches, nurtures, and supports children and their
430.5 families. The goal will be achieved by:

430.6 (1) creating a system in which family costs for early care and education are affordable;

430.7 (2) ensuring that a child's access to high-quality early care and education is not determined
430.8 by the child's race, family income, or zip code; and

430.9 (3) ensuring that Minnesota's early childhood educators are qualified, diverse, supported,
430.10 and equitably compensated regardless of setting.

430.11 Subd. 2. Great Start for All Minnesota Children Task Force; establishment. The
430.12 Great Start for All Minnesota Children Task Force is established to develop strategies that
430.13 will meet the goal identified in subdivision 1.

430.14 Subd. 3. Membership. (a) The task force shall consist of the following 15 voting
430.15 members, appointed by the governor, except as otherwise specified:

430.16 (1) two members of the house of representatives, one appointed from the majority party
430.17 by the speaker of the house and one appointed from the minority party by the minority
430.18 leader;

430.19 (2) two members of the senate, one appointed from the majority party by the majority
430.20 leader and one appointed from the minority party by the minority leader;

430.21 (3) two individuals who are directors of a licensed child care center, one from greater
430.22 Minnesota and one from the seven-county metropolitan area;

430.23 (4) two individuals who are license holders of family child care programs, one from
430.24 greater Minnesota and one from the seven-county metropolitan area;

430.25 (5) three individuals who are early childhood educators, one who works in a licensed
430.26 child care center, one who works in a public school-based early childhood program, and
430.27 one who works in a Head Start program or a community education program;

430.28 (6) two parents of children under five years of age, one parent whose child attends a
430.29 private early care and education program and one parent whose child attends a public
430.30 program, and one parent from greater Minnesota and one parent from the seven-county
430.31 metropolitan area;

431.1 (7) one representative of a federally recognized tribe who has expertise in the early care
431.2 and education system; and

431.3 (8) one representative from the Children's Cabinet.

431.4 (b) The task force shall have nonvoting members who participate in meetings and provide
431.5 data and information to the task force upon request. One person appointed by each of the
431.6 commissioners of the following state agencies, one person appointed by the board of each
431.7 of the following organizations, and persons appointed by the governor as specified, shall
431.8 serve as nonvoting members of the task force:

431.9 (1) the Department of Education;

431.10 (2) the Department of Employment and Economic Development;

431.11 (3) the Department of Health;

431.12 (4) the Department of Human Services;

431.13 (5) the Department of Labor and Industry;

431.14 (6) the Department of Management and Budget;

431.15 (7) the Department of Revenue;

431.16 (8) the Minnesota Business Partnership;

431.17 (9) the Minnesota Community Education Association;

431.18 (10) the Minnesota Child Care Association;

431.19 (11) the statewide child care resource and referral network, known as Child Care Aware;

431.20 (12) the Minnesota Head Start Association;

431.21 (13) the Minnesota Association of County Social Service Administrators;

431.22 (14) the Minnesota Chamber of Commerce;

431.23 (15) a member of a statewide advocacy organization that supports and promotes early
431.24 childhood education and welfare, appointed by the governor;

431.25 (16) a faculty representative who teaches early childhood education in a Minnesota
431.26 institution of higher education, appointed by the governor;

431.27 (17) the Minnesota Initiative Foundations;

431.28 (18) a member of the Kids Count on Us Coalition, appointed by the governor;

431.29 (19) the Minnesota Child Care Provider Information Network;

432.1 (20) the Minnesota Association of Child Care Professionals;

432.2 (21) a member of Indigenous Visioning, appointed by the governor; and

432.3 (22) a nationally recognized expert in early care and education financing, appointed by
432.4 the governor.

432.5 Subd. 4. **Administration.** (a) The governor must select a chair or cochair for the task
432.6 force from among the voting members. The first task force meeting shall be convened by
432.7 the chair or cochair and held no later than December 1, 2021. Thereafter, the chair or
432.8 cochair shall convene the task force at least monthly and may convene other meetings as
432.9 necessary. The chair or cochair shall convene meetings in a manner to allow for access
432.10 from diverse geographic locations in Minnesota.

432.11 (b) Compensation of task force members, filling of task force vacancies, and removal
432.12 of task force members shall be governed by Minnesota Statutes, section 15.059, except that
432.13 nonvoting members of the task force shall serve without compensation.

432.14 (c) The commissioner of management and budget shall provide staff and administrative
432.15 services for the task force.

432.16 (d) The task force shall expire upon submission of the final report required under
432.17 subdivision 9.

432.18 (e) The duties of the task force in this section shall be transferred to an applicable state
432.19 agency if specifically authorized under law to carry out such duties.

432.20 (f) The task force is subject to Minnesota Statutes, chapter 13D.

432.21 Subd. 5. **Plan development.** (a) The task force must develop strategies and a plan to
432.22 achieve the goal outlined in subdivision 1 by July 2031.

432.23 (b) The plan must include an affordability standard that clearly identifies the maximum
432.24 percentage of income that a family must pay for early care and education. The standard
432.25 must take into account all relevant factors, including but not limited to:

432.26 (1) the annual income of the family;

432.27 (2) the recommended maximum of income spent on child care expenses from the United
432.28 States Department of Health and Human Services;

432.29 (3) the average cost of private child care for children under the age of five; and

432.30 (4) geographic disparities in child care costs.

433.1 Subd. 6. **Affordable, high-quality early care and education.** In developing the plan
433.2 under subdivision 5, the task force must:

433.3 (1) identify the most efficient infrastructure, benefit mechanisms, and financing
433.4 mechanisms under which families will access financial assistance so that early care and
433.5 education is affordable, high-quality, and easy to access;

433.6 (2) consider how payment rates for child care will be determined and updated;

433.7 (3) describe how the plan will be administered, including the roles for state agencies,
433.8 local government agencies, and community-based organizations and how that plan will
433.9 streamline funding and reduce complexity and fragmentation in the administration of early
433.10 childhood programs; and

433.11 (4) identify how to maintain and encourage the further development of Minnesota's
433.12 mixed-delivery system for early care and education, including licensed family child care,
433.13 to match family preferences.

433.14 Subd. 7. **Workforce compensation.** In developing the plan under subdivision 5, the
433.15 task force must:

433.16 (1) include strategies to increase racial and ethnic equity and diversity in the early care
433.17 and education workforce and recognize the value of cultural competency and multilingualism;

433.18 (2) include a compensation framework that supports recruitment and retention of a
433.19 qualified workforce in every early care and education setting;

433.20 (3) consider the need for and development of a mechanism that ties child care
433.21 reimbursement rates to employee compensation;

433.22 (4) develop affordable, accessible, and aligned pathways to support early childhood
433.23 educators' career and educational advancement;

433.24 (5) set compensation for early childhood educators by reference to compensation for
433.25 elementary school teachers; and

433.26 (6) consider the recommendations from previous work including the Transforming
433.27 Minnesota's Early Childhood Workforce project and other statewide reports on systemic
433.28 issues in early care and education.

433.29 Subd. 8. **Implementation timeline.** The task force must develop an implementation
433.30 timeline that phases in the plan over a period of no more than six years, beginning in July
433.31 2025 and finishing no later than July 2031. In developing the implementation timeline, the
433.32 task force must consider:

434.1 (1) how to simultaneously ensure that child care is affordable to as many families as
434.2 possible while minimizing disruptions in the availability and cost of currently available
434.3 early care and education arrangements;

434.4 (2) the capacity for the state to increase the availability of different types of early care
434.5 and education settings from which a family may choose;

434.6 (3) how the inability to afford and access early care and education settings
434.7 disproportionately affects certain populations; and

434.8 (4) how to provide additional targeted investments for early childhood educators serving
434.9 a high proportion of families currently eligible for or receiving public assistance for early
434.10 care and education.

434.11 Subd. 9. **Required reports.** By December 15, 2022, the task force must submit to the
434.12 governor and legislative committees with jurisdiction over early childhood programs
434.13 preliminary findings and draft implementation plans. By February 1, 2023, the task force
434.14 must submit to the governor and legislative committees with jurisdiction over early childhood
434.15 programs final recommendations and implementation plans pursuant to subdivision 5.

434.16 Sec. 19. **DIRECTION TO COMMISSIONER OF HUMAN SERVICES; FAMILY**
434.17 **SUPPORTS AND IMPROVEMENT PROGRAM RECOMMENDATIONS.**

434.18 The commissioner of human services shall collaborate with the children's cabinet to
434.19 engage with the Minnesota Department of Education, the Minnesota Department of Health
434.20 and other relevant state agencies, county and Tribal agencies, child care providers, early
434.21 childhood education providers, school administrators, parents of families who qualify for
434.22 or are receiving state or county assistance, and other service providers working with those
434.23 families to develop recommendations for implementing a family-focused voluntary
434.24 information sharing program intended to improve the effectiveness of public assistance
434.25 programs and the delivery of services to families, including but not limited to the child care
434.26 assistance program, Minnesota family investment program, supplemental nutritional
434.27 assistance program, early learning scholarships, medical assistance, and home visiting
434.28 programs. To the extent possible, the commissioner may use existing data, materials, or
434.29 reports. The commissioner may engage a third-party vendor to assist with developing
434.30 recommendations. The family-focused information sharing program design may include
434.31 data sharing under Minnesota Statutes, section 13.32, subdivision 12. The recommendations
434.32 must include whether grant money is necessary for counties, Tribes, or other agencies for
434.33 costs associated with operating the family-focused information sharing program. The
434.34 recommendations must include an estimated budget and timeline for the project, a proposed

435.1 methodology to distribute grant money to counties, Tribes, or other grantees if needed to
435.2 operate the project, and deadlines for an interim and final report on the results of the program.
435.3 The commissioner shall provide the chairs and ranking minority members of the legislative
435.4 committees with jurisdiction over early childhood and human services programs with
435.5 recommendations and, if necessary, proposed legislation by January 15, 2023.

435.6 Sec. 20. **REPORT ON PARTICIPATION IN EARLY CHILDHOOD PROGRAMS**
435.7 **BY CHILDREN IN FOSTER CARE.**

435.8 Subdivision 1. **Reporting requirement.** (a) The commissioner of human services shall
435.9 report on the participation in early care and education programs by children under six years
435.10 of age who have experienced foster care, as defined in Minnesota Statutes, section 260C.007,
435.11 subdivision 18, at any time during the reporting period.

435.12 (b) For purposes of this section, "early care and education program" means Early Head
435.13 Start and Head Start under the federal Improving Head Start for School Readiness Act of
435.14 2007; special education programs under Minnesota Statutes, chapter 125A; early learning
435.15 scholarships under Minnesota Statutes, section 124D.165; school readiness under Minnesota
435.16 Statutes, sections 124D.15 and 124D.16; school readiness plus under Laws 2017, First
435.17 Special Session chapter 5, article 8, section 9; voluntary prekindergarten under Minnesota
435.18 Statutes, section 124D.151; child care assistance under Minnesota Statutes, chapter 119B;
435.19 and other programs as determined by the commissioner.

435.20 Subd. 2. **Report content.** (a) The report shall provide counts and rates of participation
435.21 in early care and education programs disaggregated, to the extent practicable, by children's
435.22 race, ethnicity, age, and county of residence.

435.23 (b) The report may include recommendations for:

435.24 (1) providing the data described in paragraph (a) on an annual basis as part of the report
435.25 required under Minnesota Statutes, section 257.0725;

435.26 (2) facilitating children's continued participation in early care and education programs
435.27 after reunification, adoption, or a transfer of permanent legal and physical custody;

435.28 (3) increasing the rates of participation among children and their foster families in early
435.29 care and education programs, including processes for referrals and follow-up; and

435.30 (4) regularly reporting measures of early childhood well-being for children who have
435.31 experienced foster care. Measures of early childhood well-being include administrative data
435.32 from developmental screenings, school readiness assessments, well-child medical visits,
435.33 and other sources as determined by the commissioner.

436.1 (c) For any recommendation under paragraph (b) not included in the report, the report
436.2 shall provide an explanation and identify resources needed to address the recommendation
436.3 in any future reports.

436.4 (d) The report shall identify any administrative barriers to ensuring that early care and
436.5 education programs are responsive to the cultural, logistical, and racial equity concerns and
436.6 needs of children's foster families and families of origin, and the report shall identify methods
436.7 to ensure that the experiences and feedback from children's foster families and families of
436.8 origin are included in the ongoing implementation of early care and education programs.

436.9 (e) The report shall identify stakeholders who were not consulted in the development
436.10 of the report and provide recommendations for including the stakeholders' contributions in
436.11 future reports.

436.12 Subd. 3. **Data and collaboration.** (a) The report shall use the most current administrative
436.13 data and systems, including the Early Childhood Longitudinal Data System, and publicly
436.14 available data. The report shall identify barriers to other potential data sources and make
436.15 recommendations about accessing and incorporating the data in future reports.

436.16 (b) To the extent practicable, the commissioner shall:

436.17 (1) incorporate the experiences of and feedback from children's foster families and
436.18 families of origin into the content of the report; and

436.19 (2) collaborate and consult with the commissioners of health and education, county
436.20 agencies, early care and education providers, the judiciary, and school districts in developing
436.21 the content of the report.

436.22 Subd. 4. **Submission to legislature.** By December 1, 2022, the commissioner shall
436.23 submit the report required under this section to the legislative committees with jurisdiction
436.24 over early care and education programs.

436.25 Sec. 21. **CHILD CARE STABILIZATION GRANTS.**

436.26 Subdivision 1. **Child care stabilization grants.** The commissioner of human services
436.27 shall award grant money to eligible child care programs to support the stability of the child
436.28 care sector during and after the COVID-19 public health emergency.

436.29 Subd. 2. **Eligible programs.** (a) The following programs are eligible to receive child
436.30 care stabilization grants under this section:

436.31 (1) family and group family child care homes licensed under Minnesota Rules, chapter
436.32 9502;

- 437.1 (2) child care centers licensed under Minnesota Rules, chapter 9503;
- 437.2 (3) certified license-exempt child care centers under Minnesota Statutes, chapter 245H;
- 437.3 (4) legal nonlicensed child care providers as defined in Minnesota Statutes, section
- 437.4 119B.011, subdivision 16; and
- 437.5 (5) other programs as determined by the commissioner.
- 437.6 (b) Programs must not be:
- 437.7 (1) the subject of a finding of fraud;
- 437.8 (2) prohibited from receiving public funds under Minnesota Statutes, section 245.095;
- 437.9 or
- 437.10 (3) under revocation, suspension, temporary immediate suspension, or decertification,
- 437.11 regardless of whether the action is under appeal.
- 437.12 Subd. 3. **Grant requirements.** (a) To receive grant money under this section, an eligible
- 437.13 program must:
- 437.14 (1) complete an application developed by the commissioner for each grant period for
- 437.15 which the eligible program applies for funding;
- 437.16 (2) attest and agree in writing that, for the duration of the grant period, the program will
- 437.17 comply with the requirements in section 2202(d)(2)(D)(i) of the federal American Rescue
- 437.18 Plan Act, Public Law 117-2, including maintaining compensation levels for employees and,
- 437.19 to the extent practicable, providing tuition and co-payment relief to families enrolled in the
- 437.20 program; and
- 437.21 (3) attest and agree in writing that the program intends to remain operating and serving
- 437.22 children for the duration of the grant period, with the exceptions of:
- 437.23 (i) service disruptions that are necessary due to public health guidance to protect the
- 437.24 safety and health of children and child care programs issued by the Centers for Disease
- 437.25 Control and Prevention, the commissioner of health, the commissioner of human services,
- 437.26 or a local public health agency; and
- 437.27 (ii) planned temporary closures for provider vacation and holidays for a duration specified
- 437.28 by the commissioner for each grant period.
- 437.29 (b) Grant recipients must comply with all requirements listed in the application for grants
- 437.30 under this section.

438.1 (c) Grant recipients must use at least 70 percent of base grant awards under subdivision
438.2 4, paragraph (b), to provide increased compensation, benefits, or premium pay to all paid
438.3 employees, sole proprietors, or independent contractors regularly caring for children. Grant
438.4 recipients may request a waiver from this requirement if they cannot increase compensation,
438.5 benefits, or premium pay due to restrictions included in agreements with employee bargaining
438.6 units, or if the program is experiencing unusual and significant financial hardship.

438.7 (d) Grant recipients that fail to meet the requirements under this section are subject to
438.8 discontinuation of future installment payments, recoupment of payments already made, or
438.9 referral to the Office of Inspector General for additional action. Except when based on a
438.10 finding of fraud, actions to establish recoupment must be made within six years of the
438.11 conclusion of the grant program established under this section. Once recoupment is
438.12 established, collection may continue until funds have been repaid in full.

438.13 Subd. 4. **Grant awards.** (a) The commissioner shall award transition grants to all eligible
438.14 programs on a noncompetitive basis through August 31, 2021.

438.15 (b) The commissioner shall award base grant amounts to all eligible programs on a
438.16 noncompetitive basis beginning September 1, 2021, through June 30, 2023. The base grant
438.17 amounts shall be:

438.18 (1) based on the full-time equivalent number of staff who regularly care for children in
438.19 the program, including any employees, sole proprietors, or independent contractors;

438.20 (2) reduced between July 1, 2022, and June 30, 2023, with amounts for the final month
438.21 being no more than 50 percent of the amounts awarded in September 2021; and

438.22 (3) enhanced in amounts determined by the commissioner for any providers receiving
438.23 payments through the child care assistance program under sections 119B.03 and 119B.05
438.24 or early learning scholarships under section 124D.165.

438.25 (c) The commissioner may provide grant amounts in addition to any base grants received
438.26 to eligible programs in extreme financial hardship until all money set aside for that purpose
438.27 is awarded.

438.28 (d) The commissioner may pay any grants awarded to eligible programs under this
438.29 section in the form and manner established by the commissioner, except that such payments
438.30 must occur on a monthly basis.

438.31 Subd. 5. **Eligible uses of grant money.** Grant recipients may use grant money awarded
438.32 under this section for one or more of the following uses directly related to the operation of
438.33 a child care program:

439.1 (1) paying personnel costs, such as payroll, salaries, or similar compensation, employee
439.2 benefits, premium pay, or costs for employee recruitment and retention, for an employee,
439.3 including a sole proprietor or an independent contractor;

439.4 (2) providing relief from co-payments and tuition payments for the families enrolled in
439.5 the program, to the extent possible, with eligible programs prioritizing relief for families
439.6 struggling to make co-payments or tuition payments;

439.7 (3) paying rent, including rent under a lease agreement, or making payments on any
439.8 mortgage obligation, utilities, facility maintenance or improvements, or insurance;

439.9 (4) purchasing personal protective equipment, purchasing cleaning and sanitization
439.10 supplies and services, or obtaining training and professional development related to health
439.11 and safety practices;

439.12 (5) purchasing or updating equipment and supplies to respond to the COVID-19 public
439.13 health emergency;

439.14 (6) purchasing goods and services necessary to maintain or resume child care services;

439.15 (7) providing mental health supports for children and employees; or

439.16 (8) providing reimbursement for losses incurred during the COVID-19 public health
439.17 emergency. An expenditure is eligible for reimbursement if it was for one of the uses
439.18 identified in this subdivision and it was paid between January 31, 2020, and the date of
439.19 application for grants under this section.

439.20 **Sec. 22. DIRECTION TO THE CHILDREN'S CABINET; EARLY CHILDHOOD**
439.21 **GOVERNANCE REPORT.**

439.22 Subdivision 1. **Recommendations.** The Children's Cabinet shall develop
439.23 recommendations on the governance of programs relating to early childhood development,
439.24 care, and learning, including how such programs could be consolidated into an existing
439.25 state agency or a new state Department of Early Childhood. The recommendations shall
439.26 address the impact of such a consolidation on:

439.27 (1) state efforts to ensure that all Minnesota children are kindergarten-ready, with race,
439.28 income, and zip code no longer predictors of school readiness;

439.29 (2) coordination and alignment among programs;

439.30 (3) the effort required of families to receive services to which they are entitled;

439.31 (4) the effort required of service providers to participate in childhood programs; and

440.1 (5) the articulation between early care and education programs and the kindergarten
440.2 through grade 12 system.

440.3 Subd. 2. **Public input.** In developing the recommendations required under subdivision
440.4 1, the Children's Cabinet must provide for a community engagement process to seek input
440.5 from the public and stakeholders.

440.6 Subd. 3. **Report.** (a) The Children's Cabinet shall produce a report that includes:

440.7 (1) the recommendations required under subdivision 1;

440.8 (2) the explanations and reasoning behind such recommendations;

440.9 (3) a description of the community engagement process required under subdivision 2;

440.10 and

440.11 (4) a summary of the feedback received from the public and early care and education
440.12 stakeholders through the community engagement process.

440.13 (b) The Children's Cabinet may arrange for consultants to assist with the development
440.14 of the report.

440.15 (c) By February 1, 2022, the Children's Cabinet shall submit the report to the governor
440.16 and the legislative committees with jurisdiction over early childhood programs.

440.17 Sec. 23. **DIRECTION TO COMMISSIONER OF HUMAN SERVICES; FEDERAL**
440.18 **FUND AND CHILD CARE AND DEVELOPMENT BLOCK GRANT**
440.19 **ALLOCATIONS.**

440.20 (a) The commissioner of human services shall allocate \$1,435,000 in fiscal year 2022
440.21 from the child care and development block grant for the quality rating and improvement
440.22 system evaluation and equity report under Minnesota Statutes, section 124D.142, subdivisions
440.23 3 and 4.

440.24 (b) The commissioner of human services shall allocate \$499,000 in fiscal year 2022
440.25 from the child care and development block grant for the ombudsperson for family child
440.26 care providers under Minnesota Statutes, section 245.975.

440.27 (c) The commissioner of human services shall allocate \$858,000 in fiscal year 2022
440.28 from the child care and development block grant for transfer to the commissioner of
440.29 management and budget for the affordable high-quality child care and early education for
440.30 all families working group.

441.1 (d) The commissioner of human services shall allocate \$200,000 in fiscal year 2022
441.2 from the child care and development block grant for transfer to the commissioner of
441.3 management and budget for completion of the early childhood governance report.

441.4 (e) The commissioner of human services shall allocate \$150,000 in fiscal year 2022
441.5 from the child care and development block grant to develop recommendations for
441.6 implementing a family supports and improvement program.

441.7 (f) The commissioner of human services shall allocate \$1,000,000 in fiscal year 2022
441.8 from the child care and development block grant for REETAIN grants under Minnesota
441.9 Statutes, section 119B.195.

441.10 (g) The commissioner of human services shall allocate \$2,000,000 in fiscal year 2022
441.11 from the child care and development block grant for the TEACH program under Minnesota
441.12 Statutes, section 136A.128.

441.13 (h) The commissioner of human services shall allocate \$304,398,000 in fiscal year 2022
441.14 from the federal fund for child care stabilization grants, including up to \$5,000,000 for
441.15 administration.

441.16 (i) The commissioner of human services shall allocate \$200,000 in fiscal year 2022 from
441.17 the federal fund for the shared services pilot program for family child care providers.

441.18 (j) The commissioner of human services shall allocate \$290,000 in fiscal year 2022 from
441.19 the child care and development block grant for a report on participation in early care and
441.20 education programs by children in foster care.

441.21 (k) The commissioner of human services shall allocate \$3,500,000 in fiscal year 2022
441.22 from the child care and development block grant for the commissioner of human services
441.23 to administer the child care and development block grant allocations in this act.

441.24 (l) The allocations in this section are available until June 30, 2025.

441.25 Sec. 24. **REVISOR INSTRUCTION.**

441.26 The revisor of statutes shall renumber Minnesota Statutes, section 136A.128, in Minnesota
441.27 Statutes, chapter 119B. The revisor shall also make necessary cross-reference changes
441.28 consistent with the renumbering.

442.1 **ARTICLE 15**442.2 **REINSURANCE**

442.3 Section 1. Laws 2017, chapter 13, article 1, section 15, as amended by Laws 2017, First
442.4 Special Session chapter 6, article 5, section 10, and Laws 2019, First Special Session chapter
442.5 9, article 8, section 19, is amended to read:

442.6 **Sec. 15. MINNESOTA PREMIUM SECURITY PLAN FUNDING.**

442.7 (a) The Minnesota Comprehensive Health Association shall fund the operational and
442.8 administrative costs and reinsurance payments of the Minnesota security plan and association
442.9 using the following amounts deposited in the premium security plan account in Minnesota
442.10 Statutes, section 62E.25, subdivision 1, in the following order:

- 442.11 (1) any federal funding available;
- 442.12 (2) funds deposited under article 1, sections 12 and 13;
- 442.13 (3) any state funds from the health care access fund; and
- 442.14 (4) any state funds from the general fund.

442.15 (b) The association shall transfer from the premium security plan account any remaining
442.16 state funds not used for the Minnesota premium security plan by June 30, ~~2023~~ 2024, to the
442.17 commissioner of commerce. Any amount transferred to the commissioner of commerce
442.18 shall be deposited in the health care access fund in Minnesota Statutes, section 16A.724.

442.19 (c) The Minnesota Comprehensive Health Association may not spend more than
442.20 \$271,000,000 for benefit year 2018 and not more than \$271,000,000 for benefit year 2019
442.21 for the operational and administrative costs of, and reinsurance payments under, the
442.22 Minnesota premium security plan.

442.23 **Sec. 2. MINNESOTA PREMIUM SECURITY PLAN ADMINISTERED THROUGH**
442.24 **THE 2022 BENEFIT YEAR.**

442.25 (a) The Minnesota Comprehensive Health Association must administer the Minnesota
442.26 premium security plan through the 2022 benefit year.

442.27 (b) Notwithstanding Minnesota Statutes, section 62E.23, the Minnesota premium security
442.28 plan payment parameters for benefit year 2022 are:

- 442.29 (1) an attachment point of \$50,000;
- 442.30 (2) a coinsurance rate of 60 percent; and

443.1 (3) a reinsurance cap of \$250,000.

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

443.3 Sec. 3. **PLAN YEAR 2022 PROPOSED RATE FILINGS FOR THE INDIVIDUAL**
443.4 **MARKET.**

443.5 The rate filing deadline for individual health plans, as defined in Minnesota Statutes,
443.6 section 62E.21, subdivision 9, to be offered, issued, sold, or renewed on or after January 1,
443.7 2022, is July 9, 2021. Eligible health carriers under Minnesota Statutes, section 62E.21,
443.8 subdivision 8, filing individual health plans to be offered, issued, sold, or renewed for benefit
443.9 year 2022 shall include the impact of the Minnesota premium security plan payment
443.10 parameters in the proposed individual health plan rates. Notwithstanding Minnesota Statutes,
443.11 section 60A.08, subdivision 15, paragraph (g), the commissioner must provide public access
443.12 on the Department of Commerce's website to compiled data of the proposed changes to
443.13 rates for individual health plans and small group health plans, as defined in Minnesota
443.14 Statutes, section 62K.03, subdivision 12, separated by health plan and geographic rating
443.15 area, no later than July 23, 2021.

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

443.17 Sec. 4. **CONTINUATION OF STATE INNOVATION WAIVER.**

443.18 The commissioner of commerce shall apply to the secretary of health and human services
443.19 under United States Code, title 42, section 18052, for a continuation of the state innovation
443.20 waiver previously granted to implement the Minnesota premium security plan for benefit
443.21 years beginning January 1, 2023, to maximize federal funding. The commissioner must
443.22 submit the application by December 31, 2021. The waiver application must clearly state
443.23 that operation of the Minnesota premium security plan after the 2022 benefit year is
443.24 contingent on approval of the waiver request.

443.25 Sec. 5. **TRANSFERS; REINSURANCE.**

443.26 (a) The commissioner of management and budget shall transfer \$79,101,000 from the
443.27 general fund to the health care access fund by June 30, 2023, for state basic health plan
443.28 costs related to the loss of federal revenue associated with a reinsurance plan. This is a
443.29 onetime transfer.

443.30 (b) The commissioner of commerce shall transfer \$5,948,000 from the premium security
443.31 plan account, authorized in Minnesota Statutes, section 62E.25, subdivision 1, to the health

444.1 care access fund by June 30, 2023, for state basic health plan costs related to the loss of
444.2 federal revenue associated with a reinsurance plan. This is a onetime transfer.

444.3 (c) The commissioner of management and budget shall transfer \$3,844,000 in fiscal year
444.4 2022 from the general fund to the MNsure account established under Minnesota Statutes,
444.5 section 62V.07. This is a onetime transfer.

444.6 (d) The commissioner of human services, in consultation with the commissioners of
444.7 commerce and management and budget, shall review the federal funding for the state basic
444.8 health plan to determine whether federal funding for the plan has been modified to account
444.9 for changes in the benchmark premium due to the Minnesota premium security plan
444.10 authorized in section 2 for calendar year 2022.

444.11 (e) The commissioner shall conduct the review in paragraph (d) prior to the February
444.12 2022 and November 2022 state budget forecasts. If the commissioner determines the federal
444.13 funding for the state basic health plan has been modified, the commissioner shall estimate
444.14 the loss of federal funding for the basic health plan after the modification. The commissioner
444.15 of management and budget must adjust the February 2022 and November 2022 state budget
444.16 forecasts based on the findings of this review, according to this section.

444.17 (f) If the commissioner determines that the reduction of federal funding for the basic
444.18 health plan in paragraph (d) is less than \$85,049,000, the commissioner of management and
444.19 budget shall transfer the difference between \$85,049,000 and the estimated reduction in
444.20 federal funding from the health care access fund to the general fund and the premium security
444.21 plan account in amounts proportional to the transfers in paragraphs (a) and (b). These
444.22 transfers are onetime and must be made by June 30, 2023.

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

444.24 **Sec. 6. APPROPRIATIONS; REINSURANCE.**

444.25 (a) \$155,000 is appropriated in fiscal year 2022 from the general fund to the commissioner
444.26 of commerce to prepare and submit the state innovation waiver renewal. This is a onetime
444.27 appropriation.

444.28 (b) \$41,393,000 in fiscal year 2022 and \$43,656,000 in fiscal year 2023 are appropriated
444.29 from the health care access fund to the commissioner of human services for MinnesotaCare
444.30 program costs. These are onetime appropriations.

ARTICLE 16

APPROPRIATIONS

Section 1. HEALTH AND HUMAN SERVICES APPROPRIATIONS.

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the general fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2022" and "2023" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2022, or June 30, 2023, respectively. "The first year" is fiscal year 2022. "The second year" is fiscal year 2023. "The biennium" is fiscal years 2022 and 2023.

APPROPRIATIONS

Available for the Year

Ending June 30

2022

2023

Sec. 2. COMMISSIONER OF HUMAN SERVICES

Subdivision 1. Total Appropriation \$ 8,356,760,000 \$ 9,803,181,000

Appropriations by Fund

2022 2023

General 7,295,463,000 8,951,733,000

State Government
Special Revenue 4,299,000 4,299,000

Health Care Access 769,889,000 564,448,000

Federal TANF 282,653,000 278,245,000

Lottery Prize 1,896,000 1,896,000

Opiate Epidemic
Response 2,560,000 2,560,000

The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. TANF Maintenance of Effort

(a) Nonfederal Expenditures. The commissioner shall ensure that sufficient

446.1 qualified nonfederal expenditures are made
446.2 each year to meet the state's maintenance of
446.3 effort (MOE) requirements of the TANF block
446.4 grant specified under Code of Federal
446.5 Regulations, title 45, section 263.1. In order
446.6 to meet these basic TANF/MOE requirements,
446.7 the commissioner may report as TANF/MOE
446.8 expenditures only nonfederal money expended
446.9 for allowable activities listed in the following
446.10 clauses:

446.11 (1) MFIP cash, diversionary work program,
446.12 and food assistance benefits under Minnesota
446.13 Statutes, chapter 256J;

446.14 (2) the child care assistance programs under
446.15 Minnesota Statutes, sections 119B.03 and
446.16 119B.05, and county child care administrative
446.17 costs under Minnesota Statutes, section
446.18 119B.15;

446.19 (3) state and county MFIP administrative costs
446.20 under Minnesota Statutes, chapters 256J and
446.21 256K;

446.22 (4) state, county, and tribal MFIP employment
446.23 services under Minnesota Statutes, chapters
446.24 256J and 256K;

446.25 (5) expenditures made on behalf of legal
446.26 noncitizen MFIP recipients who qualify for
446.27 the MinnesotaCare program under Minnesota
446.28 Statutes, chapter 256L;

446.29 (6) qualifying working family credit
446.30 expenditures under Minnesota Statutes, section
446.31 290.0671;

446.32 (7) qualifying Minnesota education credit
446.33 expenditures under Minnesota Statutes, section
446.34 290.0674; and

447.1 (8) qualifying Head Start expenditures under
447.2 Minnesota Statutes, section 119A.50.

447.3 **(b) Nonfederal Expenditures; Reporting.**
447.4 For the activities listed in paragraph (a),
447.5 clauses (2) to (8), the commissioner may
447.6 report only expenditures that are excluded
447.7 from the definition of assistance under Code
447.8 of Federal Regulations, title 45, section
447.9 260.31.

447.10 **(c) Limitation; Exceptions. The**
447.11 commissioner must not claim an amount of
447.12 TANF/MOE in excess of the 75 percent
447.13 standard in Code of Federal Regulations, title
447.14 45, section 263.1(a)(2), except:

447.15 (1) to the extent necessary to meet the 80
447.16 percent standard under Code of Federal
447.17 Regulations, title 45, section 263.1(a)(1), if it
447.18 is determined by the commissioner that the
447.19 state will not meet the TANF work
447.20 participation target rate for the current year;

447.21 (2) to provide any additional amounts under
447.22 Code of Federal Regulations, title 45, section
447.23 264.5, that relate to replacement of TANF
447.24 funds due to the operation of TANF penalties;
447.25 and

447.26 (3) to provide any additional amounts that may
447.27 contribute to avoiding or reducing TANF work
447.28 participation penalties through the operation
447.29 of the excess MOE provisions of Code of
447.30 Federal Regulations, title 45, section
447.31 261.43(a)(2).

447.32 **(d) Supplemental Expenditures. For the**
447.33 purposes of paragraph (d), the commissioner
447.34 may supplement the MOE claim with working

448.1 family credit expenditures or other qualified
448.2 expenditures to the extent such expenditures
448.3 are otherwise available after considering the
448.4 expenditures allowed in this subdivision.

448.5 **(e) Reduction of Appropriations; Exception.**

448.6 The requirement in Minnesota Statutes, section
448.7 256.011, subdivision 3, that federal grants or
448.8 aids secured or obtained under that subdivision
448.9 be used to reduce any direct appropriations
448.10 provided by law, does not apply if the grants
448.11 or aids are federal TANF funds.

448.12 **(f) IT Appropriations Generally. This**

448.13 appropriation includes funds for information
448.14 technology projects, services, and support.
448.15 Notwithstanding Minnesota Statutes, section
448.16 16E.0466, funding for information technology
448.17 project costs shall be incorporated into the
448.18 service level agreement and paid to the Office
448.19 of MN.IT Services by the Department of
448.20 Human Services under the rates and
448.21 mechanism specified in that agreement.

448.22 **(g) Receipts for Systems Project.**

448.23 Appropriations and federal receipts for
448.24 information technology systems projects for
448.25 MAXIS, PRISM, MMIS, ISDS, METS, and
448.26 SSIS must be deposited in the state systems
448.27 account authorized in Minnesota Statutes,
448.28 section 256.014. Money appropriated for
448.29 information technology projects approved by
448.30 the commissioner of the Office of MN.IT
448.31 Services, funded by the legislature, and
448.32 approved by the commissioner of management
448.33 and budget may be transferred from one
448.34 project to another and from development to
448.35 operations as the commissioner of human

449.1 services considers necessary. Any unexpended
 449.2 balance in the appropriation for these projects
 449.3 does not cancel and is available for ongoing
 449.4 development and operations.

449.5 **(h) Federal SNAP Education and Training**
 449.6 **Grants.** Federal funds available during fiscal
 449.7 years 2022 and 2023 for Supplemental
 449.8 Nutrition Assistance Program Education and
 449.9 Training and SNAP Quality Control
 449.10 Performance Bonus grants are appropriated
 449.11 to the commissioner of human services for the
 449.12 purposes allowable under the terms of the
 449.13 federal award. This paragraph is effective the
 449.14 day following final enactment.

449.15 **Subd. 3. Central Office; Operations**

449.16	<u>Appropriations by Fund</u>		
449.17	<u>General</u>	<u>177,263,000</u>	<u>172,772,000</u>
449.18	<u>State Government</u>		
449.19	<u>Special Revenue</u>	<u>4,174,000</u>	<u>4,174,000</u>
449.20	<u>Health Care Access</u>	<u>16,966,000</u>	<u>16,966,000</u>
449.21	<u>Federal TANF</u>	<u>131,000</u>	<u>100,000</u>

449.22 **(a) Administrative Recovery; Set-Aside.** The
 449.23 commissioner may invoice local entities
 449.24 through the SWIFT accounting system as an
 449.25 alternative means to recover the actual cost of
 449.26 administering the following provisions:
 449.27 (1) Minnesota Statutes, section 125A.744,
 449.28 subdivision 3;
 449.29 (2) Minnesota Statutes, section 245.495,
 449.30 paragraph (b);
 449.31 (3) Minnesota Statutes, section 256B.0625,
 449.32 subdivision 20, paragraph (k);
 449.33 (4) Minnesota Statutes, section 256B.0924,
 449.34 subdivision 6, paragraph (g);

450.1 (5) Minnesota Statutes, section 256B.0945,
 450.2 subdivision 4, paragraph (d); and

450.3 (6) Minnesota Statutes, section 256F.10,
 450.4 subdivision 6, paragraph (b).

450.5 **(b) Background Studies.** (1) \$2,074,000 in
 450.6 fiscal year 2022 is from the general fund to
 450.7 provide a credit to providers who paid for
 450.8 emergency background studies in NETStudy
 450.9 2.0.

450.10 (2) \$2,060,000 in fiscal year 2022 is from the
 450.11 general fund for the costs of reprocessing
 450.12 emergency studies conducted under
 450.13 interagency agreements.

450.14 **(c) Family Foster Setting Background**
 450.15 **Studies.** \$431,000 in fiscal year 2022 and
 450.16 \$453,000 in fiscal year 2023 are from the
 450.17 general fund for implementing licensed family
 450.18 foster setting background study requirements.
 450.19 The general fund base for this appropriation
 450.20 is \$225,000 in fiscal year 2024 and \$225,000
 450.21 in fiscal year 2025.

450.22 **(d) Cultural and Ethnic Communities**
 450.23 **Leadership Council.** \$18,000 in fiscal year
 450.24 2022 and \$62,000 in fiscal year 2023 are from
 450.25 the general fund for the Cultural and Ethnic
 450.26 Communities Leadership Council.

450.27 **(e) Base Level Adjustment.** The general fund
 450.28 base is \$163,715,000 in fiscal year 2024 and
 450.29 \$163,180,000 in fiscal year 2025.

450.30 Subd. 4. **Central Office; Children and Families**

450.31	<u>Appropriations by Fund</u>	
450.32	<u>General</u>	<u>18,295,000</u> <u>18,370,000</u>
450.33	<u>Federal TANF</u>	<u>2,582,000</u> <u>2,582,000</u>

451.1 **(a) Financial Institution Data Match and**
 451.2 **Payment of Fees.** The commissioner is
 451.3 authorized to allocate up to \$310,000 in fiscal
 451.4 year 2022 and \$310,000 in fiscal year 2023
 451.5 from the systems special revenue account to
 451.6 make payments to financial institutions in
 451.7 exchange for performing data matches
 451.8 between account information held by financial
 451.9 institutions and the public authority's database
 451.10 of child support obligors as authorized by
 451.11 Minnesota Statutes, section 13B.06,
 451.12 subdivision 7.

451.13 **(b) Indian Child Welfare Training.**
 451.14 \$1,012,000 in fiscal year 2022 and \$993,000
 451.15 in fiscal year 2023 are from the general fund
 451.16 for establishment and operation of the Tribal
 451.17 Training and Certification Partnership at the
 451.18 University of Minnesota, Duluth campus, to
 451.19 provide training, establish federal Indian Child
 451.20 Welfare Act and Minnesota Indian Family
 451.21 Preservation Act training requirements for
 451.22 county child welfare workers, and develop
 451.23 Indigenous child welfare training for American
 451.24 Indian Tribes. The general fund base for this
 451.25 appropriation is \$1,053,000 in fiscal year 2024
 451.26 and \$1,053,000 in fiscal year 2025.

451.27 **(c) Base Level Adjustment.** The general fund
 451.28 base is \$18,640,000 in fiscal year 2024 and
 451.29 \$18,640,000 in fiscal year 2025.

451.30 **Subd. 5. Central Office; Health Care**

451.31	<u>Appropriations by Fund</u>		
451.32	<u>General</u>	<u>26,397,000</u>	<u>24,804,000</u>
451.33	<u>Health Care Access</u>	<u>30,168,000</u>	<u>28,168,000</u>

452.1 **Base Level Adjustment.** The general fund
 452.2 base is \$24,415,000 in fiscal year 2024 and
 452.3 \$23,557,000 in fiscal year 2025.

452.4 **Subd. 6. Central Office; Continuing Care for**
 452.5 **Older Adults**

452.6	<u>Appropriations by Fund</u>		
452.7	<u>General</u>	<u>21,988,000</u>	<u>22,132,000</u>
452.8	<u>State Government</u>		
452.9	<u>Special Revenue</u>	<u>125,000</u>	<u>125,000</u>

452.10 **(a) Resident Experience Survey and Family**
 452.11 **Survey for Housing with Services**
 452.12 **Establishments and Assisted Living**
 452.13 **Facilities.** \$2,593,000 in fiscal year 2022 and
 452.14 \$2,593,000 in fiscal year 2023 are from the
 452.15 general fund for development and
 452.16 administration of a resident experience survey
 452.17 and family survey for all housing with services
 452.18 establishments and assisted living facilities.
 452.19 These appropriations are available in either
 452.20 year of the biennium.

452.21 **(b) Base Level Adjustment.** The general fund
 452.22 base is \$21,198,000 in fiscal year 2024 and
 452.23 \$19,279,000 in fiscal year 2025.

452.24 **Subd. 7. Central Office; Community Supports**

452.25	<u>Appropriations by Fund</u>		
452.26	<u>General</u>	<u>41,767,000</u>	<u>42,015,000</u>
452.27	<u>Lottery Prize</u>	<u>163,000</u>	<u>163,000</u>
452.28	<u>Opioid Epidemic</u>		
452.29	<u>Response</u>	<u>60,000</u>	<u>60,000</u>

452.30 **(a) Children's Mental Health Residential**
 452.31 **Treatment Work Group.** \$70,000 in fiscal
 452.32 year 2022 is for the children's mental health
 452.33 residential treatment work group.

452.34 **(b) Base Level Adjustment.** The general fund
 452.35 base is \$39,668,000 in fiscal year 2024 and

453.1 \$35,479,000 in fiscal year 2025. The opiate
 453.2 epidemic response fund base is \$60,000 in
 453.3 fiscal year 2024 and \$0 in fiscal year 2025.

453.4 **Subd. 8. Forecasted Programs; MFIP/DWP**

453.5 Appropriations by Fund

453.6	<u>General</u>	<u>92,588,000</u>	<u>91,366,000</u>
453.7	<u>Federal TANF</u>	<u>104,285,000</u>	<u>100,852,000</u>

453.8 **Subd. 9. Forecasted Programs; MFIP Child Care**
 453.9 **Assistance**

103,347,000 110,695,000

453.10 **Subd. 10. Forecasted Programs; General**
 453.11 **Assistance**

53,574,000 52,785,000

453.12 **(a) General Assistance Standard. The**
 453.13 **commissioner shall set the monthly standard**
 453.14 **of assistance for general assistance units**
 453.15 **consisting of an adult recipient who is**
 453.16 **childless and unmarried or living apart from**
 453.17 **parents or a legal guardian at \$203. The**
 453.18 **commissioner may reduce this amount**
 453.19 **according to Laws 1997, chapter 85, article 3,**
 453.20 **section 54.**

453.21 **(b) Emergency General Assistance Limit.**
 453.22 **The amount appropriated for emergency**
 453.23 **general assistance is limited to no more than**
 453.24 **\$6,729,812 in fiscal year 2022 and \$6,729,812**
 453.25 **in fiscal year 2023. Funds to counties shall be**
 453.26 **allocated by the commissioner using the**
 453.27 **allocation method under Minnesota Statutes,**
 453.28 **section 256D.06.**

453.29 **Subd. 11. Forecasted Programs; Minnesota**
 453.30 **Supplemental Aid**

51,779,000 52,486,000

453.31 **Subd. 12. Forecasted Programs; Housing**
 453.32 **Support**

183,358,000 192,440,000

453.33 **Subd. 13. Forecasted Programs; Northstar Care**
 453.34 **for Children**

110,583,000 121,246,000

453.35 **Subd. 14. Forecasted Programs; MinnesotaCare**

114,612,000 162,584,000

454.1 This appropriation is from the health care
 454.2 access fund.

454.3 **Subd. 15. Forecasted Programs; Medical**
 454.4 **Assistance**

454.5 Appropriations by Fund

454.6 General 5,415,163,000 6,981,559,000

454.7 Health Care Access 602,596,000 353,265,000

454.8 **(a) Behavioral Health Services. \$1,000,000**

454.9 in fiscal year 2022 and \$1,000,000 in fiscal

454.10 year 2023 are from the general fund for

454.11 behavioral health services provided by

454.12 hospitals identified under Minnesota Statutes,

454.13 section 256.969, subdivision 2b, paragraph

454.14 (a), clause (4). The increase in payments shall

454.15 be made by increasing the adjustment under

454.16 Minnesota Statutes, section 256.969,

454.17 subdivision 2b, paragraph (e), clause (2).

454.18 **(b) Base Level Adjustment. The health care**

454.19 access fund base is \$869,524,000 in fiscal year

454.20 2024 and \$612,099,000 in fiscal year 2025.

454.21 **Subd. 16. Forecasted Programs; Alternative**

454.22 **Care**

35,227,000

45,922,000

454.23 **Alternative Care Transfer. Any money**

454.24 allocated to the alternative care program that

454.25 is not spent for the purposes indicated does

454.26 not cancel but must be transferred to the

454.27 medical assistance account.

454.28 **Subd. 17. Forecasted Programs; Behavioral**

454.29 **Health Fund**

95,923,000

119,125,000

454.30 **Subd. 18. Grant Programs; Support Services**

454.31 **Grants**

454.32 Appropriations by Fund

454.33 General 8,715,000 8,715,000

454.34 Federal TANF 96,311,000 96,311,000

455.1	<u>Subd. 19. Grant Programs; BSF Child Care</u>			
455.2	<u>Grants</u>		<u>53,350,000</u>	<u>53,362,000</u>
455.3	<u>Base Level Adjustment.</u> The general fund			
455.4	base is <u>\$53,366,000 in fiscal year 2024 and</u>			
455.5	<u>\$53,366,000 in fiscal year 2025.</u>			
455.6	<u>Subd. 20. Grant Programs; Child Care</u>			
455.7	<u>Development Grants</u>		<u>1,737,000</u>	<u>1,737,000</u>
455.8	<u>Subd. 21. Grant Programs; Child Support</u>			
455.9	<u>Enforcement Grants</u>		<u>50,000</u>	<u>50,000</u>
455.10	<u>Subd. 22. Grant Programs; Children's Services</u>			
455.11	<u>Grants</u>			
455.12	<u>Appropriations by Fund</u>			
455.13	<u>General</u>	<u>52,653,000</u>	<u>52,368,000</u>	
455.14	<u>Federal TANF</u>	<u>140,000</u>	<u>140,000</u>	
455.15	<u>(a) Title IV-E Adoption Assistance. (1) The</u>			
455.16	<u>commissioner shall allocate funds from the</u>			
455.17	<u>Title IV-E reimbursement to the state from</u>			
455.18	<u>the Fostering Connections to Success and</u>			
455.19	<u>Increasing Adoptions Act for adoptive, foster,</u>			
455.20	<u>and kinship families as required in Minnesota</u>			
455.21	<u>Statutes, section 256N.261.</u>			
455.22	<u>(2) Additional federal reimbursement to the</u>			
455.23	<u>state as a result of the Fostering Connections</u>			
455.24	<u>to Success and Increasing Adoptions Act's</u>			
455.25	<u>expanded eligibility for Title IV-E adoption</u>			
455.26	<u>assistance is for postadoption, foster care,</u>			
455.27	<u>adoption, and kinship services, including a</u>			
455.28	<u>parent-to-parent support network.</u>			
455.29	<u>(b) Initial Implementation of</u>			
455.30	<u>Court-Appointed Counsel in Child</u>			
455.31	<u>Protection Proceedings. \$520,000 in fiscal</u>			
455.32	<u>year 2022 and \$520,000 in fiscal year 2023</u>			
455.33	<u>are from the general fund for county costs,</u>			
455.34	<u>including administrative costs to obtain Title</u>			
455.35	<u>IV-E federal reimbursement, related to</u>			

456.1 court-appointed counsel in child protection
 456.2 proceedings pursuant to Minnesota Statutes,
 456.3 section 260C.163, subdivision 3. The
 456.4 commissioner shall distribute funds to counties
 456.5 based upon their proportional share of
 456.6 emergency protective care hearings averaged
 456.7 over the previous three years. Beginning in
 456.8 fiscal year 2024, the distribution formula shall
 456.9 be based upon the formula recommended by
 456.10 the commissioner in the required legislative
 456.11 report regarding initial implementation of
 456.12 court-appointed counsel in child protection
 456.13 proceedings.

456.14	<u>Subd. 23. Grant Programs; Children and</u>		
456.15	<u>Community Service Grants</u>	<u>61,251,000</u>	<u>61,856,000</u>

456.16	<u>Subd. 24. Grant Programs; Children and</u>		
456.17	<u>Economic Support Grants</u>	<u>29,740,000</u>	<u>29,740,000</u>

456.18 **Minnesota Food Assistance Program.**
 456.19 Unexpended funds for the Minnesota food
 456.20 assistance program for fiscal year 2022 do not
 456.21 cancel but are available in fiscal year 2023.

456.22 Subd. 25. **Grant Programs; Health Care Grants**

456.23		<u>Appropriations by Fund</u>	
456.24	<u>General</u>	<u>4,811,000</u>	<u>4,811,000</u>
456.25	<u>Health Care Access</u>	<u>5,547,000</u>	<u>3,465,000</u>

456.26 **Onetime Grants for Navigator**
 456.27 **Organizations.** \$2,082,000 in fiscal year 2022
 456.28 is from the health care access fund for grants
 456.29 to organizations with a MNsure grant services
 456.30 navigator assister contract in good standing
 456.31 as of June 30, 2021. The grants to each
 456.32 organization must be in proportion to the
 456.33 number of Medical Assistance and
 456.34 MinnesotaCare enrollees each organization
 456.35 assisted that resulted in a successful

457.1 enrollment in the second quarter of fiscal year
 457.2 2020, as determined by MNsure's navigator
 457.3 payment process.

457.4 **Subd. 26. Grant Programs; Other Long-Term**
 457.5 **Care Grants** 10,608,000 19,513,000

457.6 **Base Level Adjustment.** The general fund
 457.7 base is \$19,013,000 in fiscal year 2024 and
 457.8 \$1,925,000 in fiscal year 2025.

457.9 **Subd. 27. Grant Programs; Aging and Adult**
 457.10 **Services Grants** 32,995,000 34,445,000

457.11 **Base Level Adjustment.** The general fund
 457.12 base is \$34,445,000 in fiscal year 2024 and
 457.13 \$32,995,000 in fiscal year 2025.

457.14 **Subd. 28. Grant Programs; Deaf and**
 457.15 **Hard-of-Hearing Grants** 2,886,000 2,886,000

457.16 **Subd. 29. Grant Programs; Disabilities Grants** 31,398,000 31,010,000

457.17 **(a) Training Stipends for Direct Support**
 457.18 **Services Providers.** \$1,000,000 in fiscal year
 457.19 2022 is from the general fund for stipends for
 457.20 individual providers of direct support services
 457.21 as defined in Minnesota Statutes, section
 457.22 256B.0711, subdivision 1. These stipends are
 457.23 available to individual providers who have
 457.24 completed designated voluntary trainings
 457.25 made available through the State-Provider
 457.26 Cooperation Committee formed by the State
 457.27 of Minnesota and the Service Employees
 457.28 International Union Healthcare Minnesota.
 457.29 Any unspent appropriation in fiscal year 2022
 457.30 is available in fiscal year 2023. This is a
 457.31 onetime appropriation. This appropriation is
 457.32 available only if the labor agreement between
 457.33 the state of Minnesota and the Service
 457.34 Employees International Union Healthcare
 457.35 Minnesota under Minnesota Statutes, section

- 458.1 179A.54, is approved under Minnesota
458.2 Statutes, section 3.855.
- 458.3 **(b) Parent-to-Parent Peer Support. \$125,000**
458.4 in fiscal year 2022 and \$125,000 in fiscal year
458.5 2023 are from the general fund for a grant to
458.6 an alliance member of Parent to Parent USA
458.7 to support the alliance member's
458.8 parent-to-parent peer support program for
458.9 families of children with a disability or special
458.10 health care need.
- 458.11 **(c) Self-Advocacy Grants. (1) \$143,000 in**
458.12 fiscal year 2022 and \$143,000 in fiscal year
458.13 2023 are from the general fund for a grant
458.14 under Minnesota Statutes, section 256.477,
458.15 subdivision 1.
- 458.16 **(2) \$105,000 in fiscal year 2022 and \$105,000**
458.17 in fiscal year 2023 are from the general fund
458.18 for subgrants under Minnesota Statutes,
458.19 section 256.477, subdivision 2.
- 458.20 **(d) Minnesota Inclusion Initiative Grants.**
458.21 \$150,000 in fiscal year 2022 and \$150,000 in
458.22 fiscal year 2023 are from the general fund for
458.23 grants under Minnesota Statutes, section
458.24 256.4772.
- 458.25 **(e) Grants to Expand Access to Child Care**
458.26 **for Children with Disabilities. \$250,000 in**
458.27 fiscal year 2022 and \$250,000 in fiscal year
458.28 2023 are from the general fund for grants to
458.29 expand access to child care for children with
458.30 disabilities. This is a onetime appropriation.
- 458.31 **(f) Parenting with a Disability Pilot Project.**
458.32 The general fund base includes \$1,000,000 in
458.33 fiscal year 2024 and \$0 in fiscal year 2025 to

459.1 implement the parenting with a disability pilot
 459.2 project.

459.3 **(g) Base Level Adjustment.** The general fund
 459.4 base is \$29,260,000 in fiscal year 2024 and
 459.5 \$22,260,000 in fiscal year 2025.

459.6	<u>Subd. 30. Grant Programs; Housing Support</u>		
459.7	<u>Grants</u>	<u>19,364,000</u>	<u>19,364,000</u>

459.8 **Base Level Adjustment** The general fund
 459.9 base is \$18,364,000 in fiscal year 2024 and
 459.10 \$10,364,000 in fiscal year 2025.

459.11 **Subd. 31. Grant Programs; Adult Mental Health**
 459.12 **Grants**

459.13		<u>Appropriations by Fund</u>	
459.14	<u>General</u>	<u>98,772,000</u>	<u>98,703,000</u>
459.15	<u>Opiate Epidemic</u>		
459.16	<u>Response</u>	<u>2,000,000</u>	<u>2,000,000</u>

459.17 **(a) Culturally and Linguistically**
 459.18 **Appropriate Services Implementation**
 459.19 **Grants.** \$2,275,000 in fiscal year 2022 and
 459.20 \$2,206,000 in fiscal year 2023 are from the
 459.21 general fund for grants to disability services,
 459.22 mental health, and substance use disorder
 459.23 treatment providers to implement culturally
 459.24 and linguistically appropriate services
 459.25 standards, according to the implementation
 459.26 and transition plan developed by the
 459.27 commissioner. The general fund base for this
 459.28 appropriation is \$1,655,000 in fiscal year 2024
 459.29 and \$0 in fiscal year 2025.

459.30 **(b) Base Level Adjustment.** The general fund
 459.31 base is \$93,295,000 in fiscal year 2024 and
 459.32 \$83,324,000 in fiscal year 2025. The opiate
 459.33 epidemic response fund base is \$2,000,000 in
 459.34 fiscal year 2024 and \$0 in fiscal year 2025.

460.1 **Subd. 32. Grant Programs; Child Mental Health**
 460.2 **Grants** 30,167,000 30,182,000

460.3 **(a) Children's Residential Facilities.**
 460.4 \$1,964,000 in fiscal year 2022 and \$1,979,000
 460.5 in fiscal year 2023 are to reimburse counties
 460.6 and Tribal governments for a portion of the
 460.7 costs of treatment in children's residential
 460.8 facilities. The commissioner shall distribute
 460.9 the appropriation on an annual basis to
 460.10 counties and Tribal governments
 460.11 proportionally based on a methodology
 460.12 developed by the commissioner.

460.13 **(b) Base Level Adjustment.** The general fund
 460.14 base is \$29,580,000 in fiscal year 2024 and
 460.15 \$27,705,000 in fiscal year 2025.

460.16 **Subd. 33. Grant Programs; Chemical**
 460.17 **Dependency Treatment Support Grants**

460.18	<u>Appropriations by Fund</u>		
460.19	<u>General</u>	<u>4,273,000</u>	<u>4,274,000</u>
460.20	<u>Lottery Prize</u>	<u>1,733,000</u>	<u>1,733,000</u>
460.21	<u>Opiate Epidemic</u>		
460.22	<u>Response</u>	<u>500,000</u>	<u>500,000</u>

460.23 **(a) Problem Gambling.** \$225,000 in fiscal
 460.24 year 2022 and \$225,000 in fiscal year 2023
 460.25 are from the lottery prize fund for a grant to
 460.26 the state affiliate recognized by the National
 460.27 Council on Problem Gambling. The affiliate
 460.28 must provide services to increase public
 460.29 awareness of problem gambling, education,
 460.30 training for individuals and organizations
 460.31 providing effective treatment services to
 460.32 problem gamblers and their families, and
 460.33 research related to problem gambling.

460.34 **(b) Recovery Community Organization**
 460.35 **Grants.** \$2,000,000 in fiscal year 2022 and

461.1 \$2,000,000 in fiscal year 2023 are from the
 461.2 general fund for grants to recovery community
 461.3 organizations, as defined in Minnesota
 461.4 Statutes, section 254B.01, subdivision 8, to
 461.5 provide for costs and community-based peer
 461.6 recovery support services that are not
 461.7 otherwise eligible for reimbursement under
 461.8 Minnesota Statutes, section 254B.05, as part
 461.9 of the continuum of care for substance use
 461.10 disorders. The general fund base for this
 461.11 appropriation is \$2,000,000 in fiscal year 2024
 461.12 and \$0 in fiscal year 2025

461.13 (c) **Base Level Adjustment.** The general fund
 461.14 base is \$4,636,000 in fiscal year 2024 and
 461.15 \$2,636,000 in fiscal year 2025. The opiate
 461.16 epidemic response fund base is \$500,000 in
 461.17 fiscal year 2024 and \$0 in fiscal year 2025.

461.18 Subd. 34. **Direct Care and Treatment - Transfer**
 461.19 **Authority**

461.20 Money appropriated for budget activities under
 461.21 subdivisions 35 to 38 may be transferred
 461.22 between budget activities and between years
 461.23 of the biennium with the approval of the
 461.24 commissioner of management and budget.

461.25 Subd. 35. **Direct Care and Treatment - Mental**
 461.26 **Health and Substance Abuse**

137,934,000

146,710,000

461.27 (a) **Transfer Authority.** Money appropriated
 461.28 to support the continued operations of the
 461.29 Community Addiction Recovery Enterprise
 461.30 (C.A.R.E.) program may be transferred to the
 461.31 enterprise fund for C.A.R.E.

461.32 (b) **Operating Adjustment.** \$2,594,000 in
 461.33 fiscal year 2023 is for the Community
 461.34 Addiction Recovery Enterprise program. The
 461.35 commissioner may transfer \$2,594,000 in

462.1	<u>fiscal year 2023 to the enterprise fund for</u>		
462.2	<u>Community Addiction Recovery Enterprise.</u>		
462.3	<u>Subd. 36. Direct Care and Treatment -</u>		
462.4	<u>Community-Based Services</u>	<u>17,292,000</u>	<u>19,789,000</u>
462.5	<u>(a) Transfer Authority.</u> Money appropriated		
462.6	<u>to support the continued operations of the</u>		
462.7	<u>Minnesota State Operated Community</u>		
462.8	<u>Services (MSOCS) program may be</u>		
462.9	<u>transferred to the enterprise fund for MSOCS.</u>		
462.10	<u>(b) Operating Adjustment.</u> \$2,381,000 in		
462.11	<u>fiscal year 2023 is for the Minnesota State</u>		
462.12	<u>Operated Community Services program. The</u>		
462.13	<u>commissioner may transfer \$2,381,000 in</u>		
462.14	<u>fiscal year 2023 to the enterprise fund for</u>		
462.15	<u>Minnesota State Operated Community</u>		
462.16	<u>Services.</u>		
462.17	<u>Subd. 37. Direct Care and Treatment - Forensic</u>		
462.18	<u>Services</u>	<u>119,206,000</u>	<u>124,415,000</u>
462.19	<u>Subd. 38. Direct Care and Treatment - Sex</u>		
462.20	<u>Offender Program</u>	<u>97,585,000</u>	<u>101,672,000</u>
462.21	<u>Transfer Authority.</u> Money appropriated for		
462.22	<u>the Minnesota sex offender program may be</u>		
462.23	<u>transferred between fiscal years of the</u>		
462.24	<u>biennium with the approval of the</u>		
462.25	<u>commissioner of management and budget.</u>		
462.26	<u>Subd. 39. Direct Care and Treatment -</u>		
462.27	<u>Operations</u>	<u>53,424,000</u>	<u>58,414,000</u>
462.28	<u>Subd. 40. Technical Activities</u>	<u>79,204,000</u>	<u>78,260,000</u>
462.29	<u>(a) This appropriation is from the federal</u>		
462.30	<u>TANF fund.</u>		
462.31	<u>(b) Base Level Adjustment.</u> The TANF fund		
462.32	<u>base is \$71,493,000 in fiscal year 2024 and</u>		
462.33	<u>\$71,493,000 in fiscal year 2025.</u>		
462.34	<u>Sec. 3. COMMISSIONER OF HEALTH</u>		

463.1 Subdivision 1. Total Appropriation \$ 282,967,000 \$ 283,702,000

463.2 Appropriations by Fund

	<u>2022</u>	<u>2023</u>
463.3		
463.4	<u>162,464,000</u>	<u>161,977,000</u>
463.5		
463.6	<u>71,278,000</u>	<u>73,180,000</u>
463.7	<u>37,512,000</u>	<u>36,832,000</u>
463.8	<u>11,713,000</u>	<u>11,713,000</u>

463.9 The amounts that may be spent for each
 463.10 purpose are specified in the following
 463.11 subdivisions.

463.12 Subd. 2. Health Improvement

463.13 Appropriations by Fund

463.14	<u>123,714,000</u>	<u>124,000,000</u>
463.15		
463.16	<u>11,967,000</u>	<u>11,290,000</u>
463.17	<u>37,512,000</u>	<u>36,832,000</u>
463.18	<u>11,713,000</u>	<u>11,713,000</u>

463.19 (a) TANF Appropriations. (1) \$3,579,000 in
 463.20 fiscal year 2022 and \$3,579,000 in fiscal year
 463.21 2023 are from the TANF fund for home
 463.22 visiting and nutritional services listed under
 463.23 Minnesota Statutes, section 145.882,
 463.24 subdivision 7, clauses (6) and (7). Funds must
 463.25 be distributed to community health boards
 463.26 according to Minnesota Statutes, section
 463.27 145A.131, subdivision 1;

463.28 (2) \$2,000,000 in fiscal year 2022 and
 463.29 \$2,000,000 in fiscal year 2023 are from the
 463.30 TANF fund for decreasing racial and ethnic
 463.31 disparities in infant mortality rates under
 463.32 Minnesota Statutes, section 145.928,
 463.33 subdivision 7;

463.34 (3) \$4,978,000 in fiscal year 2022 and
 463.35 \$4,978,000 in fiscal year 2023 are from the

464.1 TANF fund for the family home visiting grant
464.2 program according to Minnesota Statutes,
464.3 section 145A.17. \$4,000,000 of the funding
464.4 in each fiscal year must be distributed to
464.5 community health boards according to
464.6 Minnesota Statutes, section 145A.131,
464.7 subdivision 1. \$978,000 of the funding in each
464.8 fiscal year must be distributed to tribal
464.9 governments according to Minnesota Statutes,
464.10 section 145A.14, subdivision 2a;
464.11 (4) \$1,156,000 in fiscal year 2022 and
464.12 \$1,156,000 in fiscal year 2023 are from the
464.13 TANF fund for family planning grants under
464.14 Minnesota Statutes, section 145.925; and
464.15 (5) the commissioner may use up to 6.23
464.16 percent of the funds appropriated from the
464.17 TANF fund each fiscal year to conduct the
464.18 ongoing evaluations required under Minnesota
464.19 Statutes, section 145A.17, subdivision 7, and
464.20 training and technical assistance as required
464.21 under Minnesota Statutes, section 145A.17,
464.22 subdivisions 4 and 5.
464.23 **(b) TANF Carryforward.** Any unexpended
464.24 balance of the TANF appropriation in the first
464.25 year of the biennium does not cancel but is
464.26 available for the second year.
464.27 **(c) Tribal Public Health Grants.** \$500,000
464.28 in fiscal year 2022 and \$500,000 in fiscal year
464.29 2023 are from the general fund for Tribal
464.30 public health grants under Minnesota Statutes,
464.31 section 145A.14, for public health
464.32 infrastructure projects as defined by the Tribal
464.33 government.

465.1 **(d) Public Health Infrastructure Funds.**
465.2 \$6,000,000 in fiscal year 2022 and \$6,000,000
465.3 in fiscal year 2023 are from the general fund
465.4 for public health infrastructure funds to
465.5 distribute to community health boards and
465.6 Tribal governments to support their ability to
465.7 meet national public health standards.

465.8 **(e) Public Health System Assessment and**
465.9 **Oversight.** \$1,500,000 in fiscal year 2022 and
465.10 \$1,500,000 in fiscal year 2023 are from the
465.11 general fund for the commissioner to assess
465.12 the capacity of the public health system to
465.13 meet national public health standards and
465.14 oversee public health system improvement
465.15 efforts.

465.16 **(f) Health Professional Education Loan**
465.17 **Forgiveness.** Notwithstanding the priorities
465.18 and distribution requirements under Minnesota
465.19 Statutes, section 144.1501, \$3,000,000 in
465.20 fiscal year 2022 and \$3,000,000 in fiscal year
465.21 2023 are from the general fund for loan
465.22 forgiveness under article 3, section 43, for
465.23 individuals who are eligible alcohol and drug
465.24 counselors, eligible medical residents, or
465.25 eligible mental health professionals, as defined
465.26 in article 3, section 43. The general fund base
465.27 for this appropriation is \$2,625,000 in fiscal
465.28 year 2024 and \$0 in fiscal year 2025. The
465.29 health care access fund base for this
465.30 appropriation is \$875,000 in fiscal year 2024,
465.31 \$3,500,000 in fiscal year 2025, and \$0 in fiscal
465.32 year 2026. The general fund amounts in this
465.33 paragraph are available until March 31, 2024.
465.34 This paragraph expires on April 1, 2024.

- 466.1 **(g) Mental Health Cultural Community**
466.2 **Continuing Education Grant Program.**
466.3 \$500,000 in fiscal year 2022 and \$500,000 in
466.4 fiscal year 2023 are from the general fund for
466.5 the mental health cultural community
466.6 continuing education grant program. This is
466.7 a onetime appropriation
- 466.8 **(h) Birth Records; Homeless Youth. \$72,000**
466.9 in fiscal year 2022 and \$32,000 in fiscal year
466.10 2023 are from the state government special
466.11 revenue fund for administration and issuance
466.12 of certified birth records and statements of no
466.13 vital record found to homeless youth under
466.14 Minnesota Statutes, section 144.2255.
- 466.15 **(i) Supporting Healthy Development of**
466.16 **Babies During Pregnancy and Postpartum.**
466.17 \$260,000 in fiscal year 2022 and \$260,000 in
466.18 fiscal year 2023 are from the general fund for
466.19 a grant to the Amherst H. Wilder Foundation
466.20 for the African American Babies Coalition
466.21 initiative for community-driven training and
466.22 education on best practices to support healthy
466.23 development of babies during pregnancy and
466.24 postpartum. Grant funds must be used to build
466.25 capacity in, train, educate, or improve
466.26 practices among individuals, from youth to
466.27 elders, serving families with members who
466.28 are Black, indigenous, or people of color,
466.29 during pregnancy and postpartum. This is a
466.30 onetime appropriation and is available until
466.31 June 30, 2023.
- 466.32 **(j) Dignity in Pregnancy and Childbirth.**
466.33 \$494,000 in fiscal year 2022 and \$200,000 in
466.34 fiscal year 2023 are from the general fund for
466.35 purposes of Minnesota Statutes, section

467.1 144.1461. Of this appropriation: (1) \$294,000
467.2 in fiscal year 2022 is for a grant to the
467.3 University of Minnesota School of Public
467.4 Health's Center for Antiracism Research for
467.5 Health Equity, to develop a model curriculum
467.6 on anti-racism and implicit bias for use by
467.7 hospitals with obstetric care and birth centers
467.8 to provide continuing education to staff caring
467.9 for pregnant or postpartum women. The model
467.10 curriculum must be evidence-based and must
467.11 meet the criteria in Minnesota Statutes, section
467.12 144.1461, subdivision 2, paragraph (a); and
467.13 (2) \$200,000 in fiscal year 2022 and \$200,000
467.14 in fiscal year 2023 are for purposes of
467.15 Minnesota Statutes, section 144.1461,
467.16 subdivision 3.

467.17 **(k) Congenital Cytomegalovirus (CMV). (1)**
467.18 \$196,000 in fiscal year 2022 and \$196,000 in
467.19 fiscal year 2023 are from the general fund for
467.20 outreach and education on congenital
467.21 cytomegalovirus (CMV) under Minnesota
467.22 Statutes, section 144.064.

467.23 **(2) Contingent on the Advisory Committee on**
467.24 **Heritable and Congenital Disorders**
467.25 **recommending and the commissioner of health**
467.26 **approving inclusion of CMV in the newborn**
467.27 **screening panel in accordance with Minnesota**
467.28 **Statutes, section 144.065, subdivision 3,**
467.29 **paragraph (d), \$656,000 in fiscal year 2023 is**
467.30 **from the state government special revenue**
467.31 **fund for follow-up services.**

467.32 **(l) Nonnarcotic Pain Management and**
467.33 **Wellness. \$649,000 in fiscal year 2022 is from**
467.34 **the general fund for nonnarcotic pain**
467.35 **management and wellness in accordance with**

468.1 Laws 2019, chapter 63, article 3, section 1,
 468.2 paragraph (n).
 468.3 **(m) Base Level Adjustments.** The general
 468.4 fund base is \$120,451,000 in fiscal year 2024
 468.5 and \$115,594,000 in fiscal year 2025. The
 468.6 health care access fund base is \$38,385,000
 468.7 in fiscal year 2024 and \$40,644,000 in fiscal
 468.8 year 2025.

468.9 **Subd. 3. Health Protection**

468.10	<u>Appropriations by Fund</u>		
468.11	<u>General</u>	<u>27,180,000</u>	<u>26,398,000</u>
468.12	<u>State Government</u>		
468.13	<u>Special Revenue</u>	<u>59,311,000</u>	<u>61,890,000</u>

468.14 **(a) Congenital Cytomegalovirus (CMV).**
 468.15 Contingent on the Advisory Committee on
 468.16 Heritable and Congenital Disorders
 468.17 recommending and the commissioner of health
 468.18 approving inclusion of congenital
 468.19 cytomegalovirus (CMV) in the newborn
 468.20 screening panel in accordance with Minnesota
 468.21 Statutes, section 144.064, subdivision 3,
 468.22 paragraph (d), \$2,195,000 in fiscal year 2023
 468.23 is from the state government special revenue
 468.24 fund for screening services. The state
 468.25 government special revenue fund base for this
 468.26 appropriation is \$1,644,000 in fiscal year 2024
 468.27 and \$1,644,000 in fiscal year 2025.

468.28 **(b) Transfer; Public Health Response**
 468.29 **Contingency Account.** The commissioner of
 468.30 health shall transfer \$300,000 in fiscal year
 468.31 2022 from the general fund to the public health
 468.32 response contingency account established in
 468.33 Minnesota Statutes, section 144.4199. This is
 468.34 a onetime transfer.

469.1 (c) Base Level Adjustments. The general
 469.2 fund base is \$26,411,000 in fiscal year 2024
 469.3 and \$26,411,000 in fiscal year 2025. The state
 469.4 government special revenue fund base is
 469.5 \$61,339,000 in fiscal year 2024 and
 469.6 \$61,339,000 in fiscal year 2025.

469.7 Subd. 4. Health Operations 11,570,000 11,579,000

469.8 Sec. 4. HEALTH-RELATED BOARDS

469.9 Subdivision 1. Total Appropriation \$ 27,535,000 \$ 26,960,000

469.10 Appropriations by Fund

469.11 <u>State Government</u>		
469.12 <u>Special Revenue</u>	<u>27,459,000</u>	<u>26,884,000</u>
469.13 <u>Health Care Access</u>	<u>76,000</u>	<u>76,000</u>

469.14 This appropriation is from the state
 469.15 government special revenue fund unless
 469.16 specified otherwise. The amounts that may be
 469.17 spent for each purpose are specified in the
 469.18 following subdivisions.

469.19 Subd. 2. Board of Behavioral Health and
 469.20 Therapy 877,000 875,000

469.21 Subd. 3. Board of Chiropractic Examiners 666,000 666,000

469.22 Subd. 4. Board of Dentistry 4,228,000 3,753,000

469.23 (a) Administrative Services Unit - Operating
 469.24 Costs. Of this appropriation, \$2,738,000 in
 469.25 fiscal year 2022 and \$2,263,000 in fiscal year
 469.26 2023 are for operating costs of the
 469.27 administrative services unit. The
 469.28 administrative services unit may receive and
 469.29 expend reimbursements for services it
 469.30 performs for other agencies.

469.31 (b) Administrative Services Unit - Volunteer
 469.32 Health Care Provider Program. Of this
 469.33 appropriation, \$150,000 in fiscal year 2022
 469.34 and \$150,000 in fiscal year 2023 are to pay

470.1 for medical professional liability coverage
470.2 required under Minnesota Statutes, section
470.3 214.40.

470.4 **(c) Administrative Services Unit -**
470.5 **Retirement Costs.** Of this appropriation,
470.6 \$475,000 in fiscal year 2022 is a onetime
470.7 appropriation to the administrative services
470.8 unit to pay for the retirement costs of
470.9 health-related board employees. This funding
470.10 may be transferred to the health board
470.11 incurring retirement costs. Any board that has
470.12 an unexpended balance for an amount
470.13 transferred under this paragraph shall transfer
470.14 the unexpended amount to the administrative
470.15 services unit. This appropriation is available
470.16 in either year of the biennium.

470.17 **(d) Administrative Services Unit - Contested**
470.18 **Cases and Other Legal Proceedings.** Of this
470.19 appropriation, \$200,000 in fiscal year 2022
470.20 and \$200,000 in fiscal year 2023 are for costs
470.21 of contested case hearings and other
470.22 unanticipated costs of legal proceedings
470.23 involving health-related boards funded under
470.24 this section. Upon certification by a
470.25 health-related board to the administrative
470.26 services unit that costs will be incurred and
470.27 that there is insufficient money available to
470.28 pay for the costs out of money currently
470.29 available to that board, the administrative
470.30 services unit is authorized to transfer money
470.31 from this appropriation to the board for
470.32 payment of those costs with the approval of
470.33 the commissioner of management and budget.
470.34 The commissioner of management and budget
470.35 must require any board that has an unexpended

471.1	<u>balance for an amount transferred under this</u>		
471.2	<u>paragraph to transfer the unexpended amount</u>		
471.3	<u>to the administrative services unit to be</u>		
471.4	<u>deposited in the state government special</u>		
471.5	<u>revenue fund.</u>		
471.6	<u>Subd. 5. Board of Dietetics and Nutrition</u>		
471.7	<u>Practice</u>	<u>164,000</u>	<u>164,000</u>
471.8	<u>Subd. 6. Board of Executives for Long Term</u>		
471.9	<u>Services and Supports</u>	<u>693,000</u>	<u>635,000</u>
471.10	<u>Subd. 7. Board of Marriage and Family Therapy</u>	<u>413,000</u>	<u>410,000</u>
471.11	<u>Subd. 8. Board of Medical Practice</u>	<u>5,912,000</u>	<u>5,868,000</u>
471.12	<u>Health Professional Services Program. This</u>		
471.13	<u>appropriation includes \$1,002,000 in fiscal</u>		
471.14	<u>year 2022 and \$1,002,000 in fiscal year 2023</u>		
471.15	<u>for the health professional services program.</u>		
471.16	<u>Subd. 9. Board of Nursing</u>	<u>5,345,000</u>	<u>5,355,000</u>
471.17	<u>Subd. 10. Board of Occupational Therapy</u>		
471.18	<u>Practice</u>	<u>456,000</u>	<u>456,000</u>
471.19	<u>Subd. 11. Board of Optometry</u>	<u>238,000</u>	<u>238,000</u>
471.20	<u>Subd. 12. Board of Pharmacy</u>		
471.21	<u>Appropriations by Fund</u>		
471.22	<u>State Government</u>		
471.23	<u>Special Revenue</u>	<u>4,403,000</u>	<u>4,403,000</u>
471.24	<u>Health Care Access</u>	<u>76,000</u>	<u>76,000</u>
471.25	<u>Base Level Adjustment. The health care</u>		
471.26	<u>access fund base is \$76,000 in fiscal year</u>		
471.27	<u>2024, \$38,000 in fiscal year 2025, and \$0 in</u>		
471.28	<u>fiscal year 2026.</u>		
471.29	<u>Subd. 13. Board of Physical Therapy</u>	<u>564,000</u>	<u>564,000</u>
471.30	<u>Subd. 14. Board of Podiatric Medicine</u>	<u>214,000</u>	<u>214,000</u>
471.31	<u>Subd. 15. Board of Psychology</u>	<u>1,362,000</u>	<u>1,360,000</u>
471.32	<u>Subd. 16. Board of Social Work</u>	<u>1,561,000</u>	<u>1,560,000</u>
471.33	<u>Subd. 17. Board of Veterinary Medicine</u>	<u>363,000</u>	<u>363,000</u>

472.1 **Sec. 5. EMERGENCY MEDICAL SERVICES**
 472.2 **REGULATORY BOARD** \$ 4,780,000 \$ 4,576,000

472.3 **(a) Cooper/Sams Volunteer Ambulance**
 472.4 **Program.** \$950,000 in fiscal year 2022 and
 472.5 \$950,000 in fiscal year 2023 are for the
 472.6 Cooper/Sams volunteer ambulance program
 472.7 under Minnesota Statutes, section 144E.40.

472.8 (1) Of this amount, \$861,000 in fiscal year
 472.9 2022 and \$861,000 in fiscal year 2023 are for
 472.10 the ambulance service personnel longevity
 472.11 award and incentive program under Minnesota
 472.12 Statutes, section 144E.40.

472.13 (2) Of this amount, \$89,000 in fiscal year 2022
 472.14 and \$89,000 in fiscal year 2023 are for the
 472.15 operations of the ambulance service personnel
 472.16 longevity award and incentive program under
 472.17 Minnesota Statutes, section 144E.40.

472.18 **(b) EMSRB Operations.** \$1,880,000 in fiscal
 472.19 year 2022 and \$1,880,000 in fiscal year 2023
 472.20 are for board operations.

472.21 **(c) Regional Grants for Continuing**
 472.22 **Education.** \$585,000 in fiscal year 2022 and
 472.23 \$585,000 in fiscal year 2023 are for regional
 472.24 emergency medical services programs, to be
 472.25 distributed equally to the eight emergency
 472.26 medical service regions under Minnesota
 472.27 Statutes, section 144E.52.

472.28 **(d) Regional Grants for Local and Regional**
 472.29 **Emergency Medical Services.** \$800,000 in
 472.30 fiscal year 2022 and \$800,000 in fiscal year
 472.31 2023 are for distribution to emergency medical
 472.32 services regions for regional emergency
 472.33 medical services programs specified in
 472.34 Minnesota Statutes, section 144E.50.

473.1 Notwithstanding Minnesota Statutes, section
 473.2 144E.50, subdivision 5, in each year the board
 473.3 shall distribute the appropriation equally
 473.4 among the eight emergency medical services
 473.5 regions. This is a onetime appropriation.

473.6 (e) Ambulance Training Grants.\$565,000
 473.7 in fiscal year 2022 and \$361,000 in fiscal year
 473.8 2023 are for training grants under Minnesota
 473.9 Statutes, section 144E.35.

473.10 (f) Base Level Adjustment. The general fund
 473.11 base is \$3,776,000 in fiscal year 2024 and
 473.12 \$3,776,000 in fiscal year 2025.

473.13 **Sec. 6. COUNCIL ON DISABILITY** \$ 1,022,000 \$ 1,038,000

473.14 **Sec. 7. OMBUDSMAN FOR MENTAL**
 473.15 **HEALTH AND DEVELOPMENTAL**
 473.16 **DISABILITIES** \$ 2,487,000 \$ 2,536,000

473.17 **Department of Psychiatry Monitoring.**
 473.18 \$100,000 in fiscal year 2022 and \$100,000 in
 473.19 fiscal year 2023 are for monitoring the
 473.20 Department of Psychiatry at the University of
 473.21 Minnesota.

473.22 **Sec. 8. OMBUDSPERSONS FOR FAMILIES** \$ 733,000 \$ 744,000

473.23 **Sec. 9. OMBUDSPERSON FOR AMERICAN**
 473.24 **INDIAN FAMILIES** \$ 190,000 \$ 190,000

473.25 **Sec. 10. LEGISLATIVE COORDINATING**
 473.26 **COMMISSION** \$ 132,000 \$ 76,000

473.27 **Legislative Task Force on Human Services**
 473.28 **Background Study Disqualifications.**
 473.29 \$132,000 in fiscal year 2022 and \$76,000 in
 473.30 fiscal year 2023 are from the general fund for
 473.31 the Legislative Task Force on Human Services
 473.32 Background Study Eligibility. This is a
 473.33 onetime appropriation.

473.34 **Sec. 11. SUPREME COURT** \$ 30,000 \$ -0-

474.1 **Sec. 12. COMMISSIONER OF**
 474.2 **MANAGEMENT AND BUDGET** \$ **300,000** \$ **300,000**

474.3 (a) This appropriation is from the opiate
 474.4 epidemic response fund.

474.5 (b) Evaluation. \$300,000 in fiscal year 2022
 474.6 and \$300,000 in fiscal year 2023 is for
 474.7 evaluation activities under Minnesota Statutes,
 474.8 section 256.042, subdivision 1, paragraph (c).

474.9 (c) Base Level Adjustment. The opiate
 474.10 epidemic response fund base is \$300,000 in
 474.11 fiscal year 2024 and \$300,000 in fiscal year
 474.12 2025.

474.13 Sec. 13. Laws 2019, First Special Session chapter 9, article 14, section 3, as amended by
 474.14 Laws 2019, First Special Session chapter 12, section 6, and Laws 2021, chapter 30, article
 474.15 3, section 49, is amended to read:

474.16 **Sec. 3. COMMISSIONER OF HEALTH**

474.17 Subdivision 1. **Total Appropriation** \$ **231,829,000** \$ **233,584,000**
 474.18 **231,174,000**

474.19 Appropriations by Fund

	2020	2021
474.20		
474.21		125,881,000
474.22 General	124,381,000	<u>123,471,000</u>
474.23 State Government		
474.24 Special Revenue	58,450,000	59,158,000
474.25 Health Care Access	37,285,000	36,832,000
474.26 Federal TANF	11,713,000	11,713,000

474.27 The amounts that may be spent for each
 474.28 purpose are specified in the following
 474.29 subdivisions.

474.30 **Subd. 2. Health Improvement**

474.31 Appropriations by Fund

474.32 General	94,980,000	95,722,000
474.33 State Government		
474.34 Special Revenue	7,614,000	6,924,000

475.1	Health Care Access	37,285,000	36,832,000
475.2	Federal TANF	11,713,000	11,713,000

475.3 **(a) TANF Appropriations.** (1) \$3,579,000 in
475.4 fiscal year 2020 and \$3,579,000 in fiscal year
475.5 2021 are from the TANF fund for home
475.6 visiting and nutritional services under
475.7 Minnesota Statutes, section 145.882,
475.8 subdivision 7, clauses (6) and (7). Funds must
475.9 be distributed to community health boards
475.10 according to Minnesota Statutes, section
475.11 145A.131, subdivision 1;

475.12 (2) \$2,000,000 in fiscal year 2020 and
475.13 \$2,000,000 in fiscal year 2021 are from the
475.14 TANF fund for decreasing racial and ethnic
475.15 disparities in infant mortality rates under
475.16 Minnesota Statutes, section 145.928,
475.17 subdivision 7;

475.18 (3) \$4,978,000 in fiscal year 2020 and
475.19 \$4,978,000 in fiscal year 2021 are from the
475.20 TANF fund for the family home visiting grant
475.21 program under Minnesota Statutes, section
475.22 145A.17. \$4,000,000 of the funding in each
475.23 fiscal year must be distributed to community
475.24 health boards according to Minnesota Statutes,
475.25 section 145A.131, subdivision 1. \$978,000 of
475.26 the funding in each fiscal year must be
475.27 distributed to tribal governments according to
475.28 Minnesota Statutes, section 145A.14,
475.29 subdivision 2a;

475.30 (4) \$1,156,000 in fiscal year 2020 and
475.31 \$1,156,000 in fiscal year 2021 are from the
475.32 TANF fund for family planning grants under
475.33 Minnesota Statutes, section 145.925; and

476.1 (5) The commissioner may use up to 6.23
476.2 percent of the amounts appropriated from the
476.3 TANF fund each year to conduct the ongoing
476.4 evaluations required under Minnesota Statutes,
476.5 section 145A.17, subdivision 7, and training
476.6 and technical assistance as required under
476.7 Minnesota Statutes, section 145A.17,
476.8 subdivisions 4 and 5.

476.9 (b) **TANF Carryforward.** Any unexpended
476.10 balance of the TANF appropriation in the first
476.11 year of the biennium does not cancel but is
476.12 available for the second year.

476.13 (c) **Comprehensive Suicide Prevention.**
476.14 \$2,730,000 in fiscal year 2020 and \$2,730,000
476.15 in fiscal year 2021 are from the general fund
476.16 for a comprehensive, community-based suicide
476.17 prevention strategy. The funds are allocated
476.18 as follows:

476.19 (1) \$955,000 in fiscal year 2020 and \$955,000
476.20 in fiscal year 2021 are for community-based
476.21 suicide prevention grants authorized in
476.22 Minnesota Statutes, section 145.56,
476.23 subdivision 2. Specific emphasis must be
476.24 placed on those communities with the greatest
476.25 disparities. The base for this appropriation is
476.26 \$1,291,000 in fiscal year 2022 and \$1,291,000
476.27 in fiscal year 2023;

476.28 (2) \$683,000 in fiscal year 2020 and \$683,000
476.29 in fiscal year 2021 are to support
476.30 evidence-based training for educators and
476.31 school staff and purchase suicide prevention
476.32 curriculum for student use statewide, as
476.33 authorized in Minnesota Statutes, section
476.34 145.56, subdivision 2. The base for this

477.1 appropriation is \$913,000 in fiscal year 2022
477.2 and \$913,000 in fiscal year 2023;

477.3 (3) \$137,000 in fiscal year 2020 and \$137,000
477.4 in fiscal year 2021 are to implement the Zero
477.5 Suicide framework with up to 20 behavioral
477.6 and health care organizations each year to treat
477.7 individuals at risk for suicide and support
477.8 those individuals across systems of care upon
477.9 discharge. The base for this appropriation is
477.10 \$205,000 in fiscal year 2022 and \$205,000 in
477.11 fiscal year 2023;

477.12 (4) \$955,000 in fiscal year 2020 and \$955,000
477.13 in fiscal year 2021 are to develop and fund a
477.14 Minnesota-based network of National Suicide
477.15 Prevention Lifeline, providing statewide
477.16 coverage. The base for this appropriation is
477.17 \$1,321,000 in fiscal year 2022 and \$1,321,000
477.18 in fiscal year 2023; and

477.19 (5) the commissioner may retain up to 18.23
477.20 percent of the appropriation under this
477.21 paragraph to administer the comprehensive
477.22 suicide prevention strategy.

477.23 **(d) Statewide Tobacco Cessation.** \$1,598,000
477.24 in fiscal year 2020 and \$2,748,000 in fiscal
477.25 year 2021 are from the general fund for
477.26 statewide tobacco cessation services under
477.27 Minnesota Statutes, section 144.397. The base
477.28 for this appropriation is \$2,878,000 in fiscal
477.29 year 2022 and \$2,878,000 in fiscal year 2023.

477.30 **(e) Health Care Access Survey.** \$225,000 in
477.31 fiscal year 2020 and \$225,000 in fiscal year
477.32 2021 are from the health care access fund to
477.33 continue and improve the Minnesota Health

478.1 Care Access Survey. These appropriations
478.2 may be used in either year of the biennium.

478.3 **(f) Community Solutions for Healthy Child**
478.4 **Development Grant Program.** \$1,000,000
478.5 in fiscal year 2020 and \$1,000,000 in fiscal
478.6 year 2021 are for the community solutions for
478.7 healthy child development grant program to
478.8 promote health and racial equity for young
478.9 children and their families under article 11,
478.10 section 107. The commissioner may use up to
478.11 23.5 percent of the total appropriation for
478.12 administration. The base for this appropriation
478.13 is \$1,000,000 in fiscal year 2022, \$1,000,000
478.14 in fiscal year 2023, and \$0 in fiscal year 2024.

478.15 **(g) Domestic Violence and Sexual Assault**
478.16 **Prevention Program.** \$375,000 in fiscal year
478.17 2020 and \$375,000 in fiscal year 2021 are
478.18 from the general fund for the domestic
478.19 violence and sexual assault prevention
478.20 program under article 11, section 108. This is
478.21 a onetime appropriation.

478.22 **(h) Skin Lightening Products Public**
478.23 **Awareness Grant Program.** \$100,000 in
478.24 fiscal year 2020 and \$100,000 in fiscal year
478.25 2021 are from the general fund for a skin
478.26 lightening products public awareness and
478.27 education grant program. This is a onetime
478.28 appropriation.

478.29 **(i) Cannabinoid Products Workgroup.**
478.30 \$8,000 in fiscal year 2020 is from the state
478.31 government special revenue fund for the
478.32 cannabinoid products workgroup. This is a
478.33 onetime appropriation.

479.1 (j) **Base Level Adjustments.** The general fund
 479.2 base is \$96,742,000 in fiscal year 2022 and
 479.3 \$96,742,000 in fiscal year 2023. The health
 479.4 care access fund base is \$37,432,000 in fiscal
 479.5 year 2022 and \$36,832,000 in fiscal year 2023.

479.6 **Subd. 3. Health Protection**

479.7 Appropriations by Fund

479.8	General	18,803,000	19,774,000
479.9	State Government		
479.10	Special Revenue	50,836,000	52,234,000

479.11 (a) **Public Health Laboratory Equipment.**
 479.12 \$840,000 in fiscal year 2020 and \$655,000 in
 479.13 fiscal year 2021 are from the general fund for
 479.14 equipment for the public health laboratory.
 479.15 This is a onetime appropriation and is
 479.16 available until June 30, 2023.

479.17 (b) **Base Level Adjustment.** The general fund
 479.18 base is \$19,119,000 in fiscal year 2022 and
 479.19 \$19,119,000 in fiscal year 2023. The state
 479.20 government special revenue fund base is
 479.21 \$53,782,000 in fiscal year 2022 and
 479.22 \$53,782,000 in fiscal year 2023.

479.23			10,385,000
479.24	Subd. 4. Health Operations	10,598,000	<u>7,975,000</u>

479.25 **Base Level Adjustment.** The general fund
 479.26 base is \$10,912,000 in fiscal year 2022 and
 479.27 \$10,912,000 in fiscal year 2023.

479.28 **EFFECTIVE DATE.** This section is effective the day following enactment, or
 479.29 retroactively to June 30, 2021, whichever is earlier.

479.30 **Sec. 14. GRANTS FOR PROJECT ECHO.**

479.31 Notwithstanding Laws 2019, chapter 63, article 3, section 1, paragraph (f), the
 479.32 commissioner of human services shall not award the \$200,000 grant to CHI St. Gabriel's
 479.33 Health Family Medical Center in fiscal years 2022, 2023, and 2024, and instead shall issue

480.1 a competitive request for proposals for another opioid-focused Project ECHO program for
480.2 the \$200,000 grant in fiscal years 2022, 2023, and 2024. This section expires June 30, 2024.

480.3 **Sec. 15. REDUCTION IN APPROPRIATION AND CANCELLATION; INCENTIVE**
480.4 **PROGRAM.**

480.5 The fiscal year 2021 health care access fund appropriation in Laws 2019, First Special
480.6 Session chapter 9, article 14, section 2, subdivision 25, is reduced by \$2,082,000 and that
480.7 amount is canceled to the health care access fund.

480.8 **EFFECTIVE DATE.** This section is effective the day following enactment, or
480.9 retroactively to June 30, 2021, whichever is earlier.

480.10 **Sec. 16. REDUCTION IN APPROPRIATION AND CANCELLATION; EMSRB**
480.11 **AMBULANCE TRAINING GRANTS.**

480.12 The fiscal year 2021 general fund appropriation in Laws 2019, First Special Session
480.13 chapter 9, article 14, section 5, is reduced by \$204,000 and that amount is canceled to the
480.14 general fund.

480.15 **EFFECTIVE DATE.** This section is effective the day following final enactment, or
480.16 retroactively to June 30, 2021, whichever is earlier.

480.17 **Sec. 17. REDUCTION IN APPROPRIATION AND CANCELLATION;**
480.18 **NONNARCOTIC PAIN MANAGEMENT AND WELLNESS.**

480.19 The general fund appropriation in Laws 2019, chapter 63, article 3, section 1, paragraph
480.20 (n), is reduced by \$649,000 and that amount is canceled to the general fund.

480.21 **EFFECTIVE DATE.** This section is effective the day following enactment, or
480.22 retroactively to June 30, 2021, whichever is earlier.

480.23 **Sec. 18. REDUCTION IN APPROPRIATION AND CANCELLATION; RESIDENT**
480.24 **EXPERIENCE SURVEY AND FAMILY SURVEY.**

480.25 The general fund appropriation for the 2020-2021 biennium in Laws 2019, chapter 60,
480.26 article 5, section 1, paragraph (e), is reduced by \$3,858,000 and that amount is canceled to
480.27 the general fund.

480.28 **EFFECTIVE DATE.** This section is effective the day following enactment, or
480.29 retroactively to June 30, 2021, whichever is earlier.

481.1 Sec. 19. **REDUCTION AND GENERAL FUND APPROPRIATION; CORONAVIRUS**
481.2 **RELIEF FUND REFINANCING.**

481.3 The commissioner of management and budget shall review all appropriations and transfers
481.4 from the general fund in Laws 2020, chapters 66, 70, 71, 74, and 81, and Laws 2020, Seventh
481.5 Special Session chapter 2, to determine whether those appropriations and transfers are
481.6 eligible expenditures from the coronavirus relief fund. The commissioner shall designate
481.7 \$59,547,000 of general fund appropriations and transfers in Laws 2020, chapters 66, 70,
481.8 71, 74, and 81, and Laws 2020, Seventh Special Session chapter 2, as eligible expenditures
481.9 from the coronavirus relief fund. \$59,547,000 of the appropriations and transfers designated
481.10 by the commissioner are canceled to the general fund. The commissioner may designate a
481.11 portion of an appropriation or transfer for cancellation. \$59,547,000 is appropriated from
481.12 the coronavirus relief fund for the purposes of the original general fund appropriation.

481.13 **EFFECTIVE DATE.** This section is effective the day following enactment, or
481.14 retroactively to June 30, 2021, whichever is earlier.

481.15 Sec. 20. **BLUE RIBBON COMMISSION; REDUCTION IN BUDGET RESERVE.**

481.16 Notwithstanding Laws 2019, First Special Session chapter 9, article 14, section 11, as
481.17 amended by Laws 2019, First Special Session chapter 12, section 7, the commissioner of
481.18 management and budget must reduce the budget reserve by \$100,000,000 on July 1, 2021.
481.19 No reduction to the budget reserve may be implemented under Laws 2019, First Special
481.20 Session chapter 9, article 14, section 11, as amended by Laws 2019, First Special Session
481.21 chapter 12, section 7.

481.22 Sec. 21. **MINNESOTA FAMILY INVESTMENT PROGRAM SUPPLEMENTAL**
481.23 **PAYMENT; ALLOCATION OF FEDERAL FUNDING.**

481.24 The commissioner of human services shall allocate \$14,352,000 in fiscal year 2022 from
481.25 the federal fund to provide a onetime cash benefit of up to \$435 for each assistance unit
481.26 active in the Minnesota family investment program or diversionary work program under
481.27 Minnesota Statutes, chapter 256J, in the month prior to when the cash benefit is distributed.
481.28 The commissioner shall distribute the cash benefit through existing systems and in a manner
481.29 that minimizes the burden to families. This is a onetime allocation.

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

482.1 Sec. 22. APPROPRIATION; MINNESOTACARE PREMIUMS.

482.2 \$134,000 in fiscal year 2021 from the general fund and \$44,000 in fiscal year 2021 from
482.3 the health care access fund are appropriated to the commissioner of human services to
482.4 implement changes to MinnesotaCare premiums.

482.5 EFFECTIVE DATE. This section is effective the day following enactment, or
482.6 retroactively to June 30, 2021, whichever is earlier.

482.7 Sec. 23. APPROPRIATION; OVERPAYMENTS FOR MEDICATION-ASSISTED
482.8 TREATMENT SERVICES.

482.9 \$28,873,000 in fiscal year 2021 is appropriated from the general fund to the commissioner
482.10 of human services to settle the overpayments owed by the Leech Lake Band of Ojibwe and
482.11 the White Earth Band of Chippewa for medication-assisted treatment services between
482.12 fiscal year 2014 and fiscal year 2019. The amount for the Leech Lake Band of Ojibwe is
482.13 \$14,666,000 and the amount for the White Earth Band of Chippewa is \$14,207,000. This
482.14 is a onetime appropriation.

482.15 EFFECTIVE DATE. This section is effective the day following enactment, or
482.16 retroactively to June 30, 2021, whichever is earlier.

482.17 Sec. 24. APPROPRIATION; REIMBURSEMENT FOR INSTITUTIONS FOR
482.18 MENTAL DISEASE PAYMENTS.

482.19 \$8,328,000 in fiscal year 2021 is appropriated from the general fund to the commissioner
482.20 of human services to reimburse counties for the amount of the statewide county share of
482.21 costs for which federal funds were claimed, but were not eligible for federal funding for
482.22 substance use disorder services provided in institutions for mental disease, for claims paid
482.23 between January 1, 2014, and June 30, 2019. The commissioner of human services shall
482.24 allocate this appropriation between the counties based on the amount that is owed by each
482.25 county. Prior to a county receiving reimbursement, the county must pay in full any unpaid
482.26 behavioral health fund invoiced county share. This is a onetime appropriation.

482.27 EFFECTIVE DATE. This section is effective the day following enactment, or
482.28 retroactively to June 30, 2021, whichever is earlier.

482.29 Sec. 25. TRANSFERS.

482.30 Subdivision 1. Grants. The commissioner of human services, with the approval of the
482.31 commissioner of management and budget, may transfer unencumbered appropriation balances

483.1 for the biennium ending June 30, 2023, within fiscal years among the MFIP, general
483.2 assistance, medical assistance, MinnesotaCare, MFIP child care assistance under Minnesota
483.3 Statutes, section 119B.05, Minnesota supplemental aid program, group residential housing
483.4 program, the entitlement portion of Northstar Care for Children under Minnesota Statutes,
483.5 chapter 256N, and the entitlement portion of the chemical dependency consolidated treatment
483.6 fund, and between fiscal years of the biennium. The commissioner shall inform the chairs
483.7 and ranking minority members of the legislative committees with jurisdiction over health
483.8 and human services quarterly about transfers made under this subdivision.

483.9 Subd. 2. **Administration.** Positions, salary money, and nonsalary administrative money
483.10 may be transferred within the Departments of Health and Human Services as the
483.11 commissioners consider necessary, with the advance approval of the commissioner of
483.12 management and budget. The commissioners shall inform the chairs and ranking minority
483.13 members of the legislative committees with jurisdiction over health and human services
483.14 finance quarterly about transfers made under this section.

483.15 Sec. 26. **INDIRECT COSTS NOT TO FUND PROGRAMS.**

483.16 The commissioners of health and human services shall not use indirect cost allocations
483.17 to pay for the operational costs of any program for which they are responsible.

483.18 Sec. 27. **REDISTRIBUTION AUTHORITY.**

483.19 (a) For the purposes of securing federal approval of Minnesota's initial state spending
483.20 plan as described in guidance issued by the Centers for Medicare and Medicaid Services
483.21 for implementation of section 9817 of the federal American Rescue Plan Act of 2021, the
483.22 commissioner of human services may modify in the initial state spending plan the amount
483.23 for a purpose contained in this act that is contingent upon federal approval under section
483.24 28 by redistributing the amounts among such purposes as is necessary to secure federal
483.25 approval.

483.26 (b) If federal approval of Minnesota's initial state spending plan requires the commissioner
483.27 to modify in the initial state spending plan the amount for a purpose contained in this act
483.28 that is contingent upon federal approval under section 28 by redistributing the amounts
483.29 among such purpose as is necessary to secure federal approval, the commissioner of human
483.30 services must provide written notice of the modification to the chairs and ranking minority
483.31 members of the house of representatives and senate committees overseeing the Department
483.32 of Human Services upon submitting or resubmitting the initial state spending plan for federal
483.33 approval.

484.1 (c) If Minnesota's initial state spending plan is approved after the commissioner has
484.2 exercised the commissioner's authority under this section, the commissioner may implement
484.3 the federally approved plan including, with the approval of the commissioner of management
484.4 and budget, necessary transfers within and between budget activities, but must prepare draft
484.5 legislation to amend this article in a manner consistent with the modifications and
484.6 redistributions the commissioner made and provide the draft legislation to the chairs and
484.7 ranking minority members of the legislative committees with jurisdiction over home and
484.8 community-based services funding.

484.9 Sec. 28. **CONTINGENT APPROPRIATIONS.**

484.10 Any appropriation in this act for a purpose included in Minnesota's initial state spending
484.11 plan as described in guidance issued by the Centers for Medicare and Medicaid Services
484.12 for implementation of section 9817 of the federal American Rescue Plan Act of 2021 is
484.13 contingent upon approval of that purpose by the Centers for Medicare and Medicaid Services.
484.14 This section expires June 30, 2024.

484.15 Sec. 29. **HOME AND COMMUNITY-BASED SERVICES FEDERAL MEDICAL**
484.16 **ASSISTANCE PERCENTAGE MAINTENANCE OF EFFORT.**

484.17 (a) The commissioner of management and budget, in consultation with the commissioner
484.18 of human services, must ensure that sufficient qualified nonfederal expenditures are made
484.19 through March 31, 2024, to meet the state's reinvestment requirements under section 9817
484.20 of the federal American Rescue Plan Act of 2021 and related federal guidance.

484.21 (b) The commissioner of human services shall administer the general fund amount in
484.22 this act attributable to the enhanced federal medical assistance percentage for home and
484.23 community-based services the state receives under section 9817 of the federal American
484.24 Rescue Plan Act of 2021, estimated to be \$686,091,000, as required by section 9817 of the
484.25 American Rescue Plan Act and related federal guidance.

484.26 (c) To the extent projected qualified nonfederal expenditures on eligible activities included
484.27 in the state spending plan are less than the required reinvestment in home and
484.28 community-based services specified in guidance related to section 9817 of the federal
484.29 American Rescue Plan Act of 2021, any reduction in the projected qualified nonfederal
484.30 expenditures relative to the projected amount at the end of the 2021 First Special Session
484.31 shall not result in an increase in the general fund balance in a budget and economic forecast
484.32 prepared by the commissioner of management and budget as provided in Minnesota Statutes,
484.33 section 16A.103.

485.1 (d) With each forecast prepared by the commissioner of management and budget under
485.2 Minnesota Statutes, section 16A.103, the commissioner of management and budget and the
485.3 commissioner of human services shall submit to the chairs and ranking minority members
485.4 of the house of representative Ways and Means Committee, the senate Finance Committee,
485.5 and the legislative committees with jurisdiction over home and community-based services
485.6 funding and policy a joint report describing:

485.7 (1) the qualified nonfederal expenditures that met the state's home and community-based
485.8 services reinvestment requirements; and

485.9 (2) any forgone increases in the general fund balance in the budget and economic forecast
485.10 resulting from paragraph (c).

485.11 (e) Paragraphs (a) and (b) expire on June 30, 2025. Paragraphs (c) and (d) expire on
485.12 June 30, 2022.

485.13 Sec. 30. **APPROPRIATION ENACTED MORE THAN ONCE.**

485.14 If an appropriation in this act is enacted more than once in the 2021 legislative session
485.15 or 2021 First Special Session, the appropriation must be given effect only once.

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

485.17 Sec. 31. **EXPIRATION OF UNCODIFIED LANGUAGE.**

485.18 All uncodified language contained in this article expires on June 30, 2023, unless a
485.19 different expiration date is explicit.

485.20 Sec. 32. **EFFECTIVE DATE.**

485.21 This article is effective July 1, 2021, unless a different effective date is specified.

485.22 **ARTICLE 17**

485.23 **HOME AND COMMUNITY-BASED SERVICES; SPECIAL TIME-LIMITED** 485.24 **FUNDING PROVISIONS**

485.25 Section 1. Minnesota Statutes 2020, section 256.478, is amended to read:

485.26 **256.478 HOME AND COMMUNITY-BASED SERVICES TRANSITIONS**
485.27 **GRANTS TRANSITION TO COMMUNITY INITIATIVE.**

485.28 Subdivision 1. **Purpose.** (a) The commissioner shall ~~make available home and~~
485.29 ~~community-based services~~ establish the transition to community initiative to award grants
485.30 to serve individuals ~~who do not meet eligibility criteria for the medical assistance program~~

486.1 ~~under section 256B.056 or 256B.057, but who otherwise meet the criteria under section~~
486.2 ~~256B.092, subdivision 13, or 256B.49, subdivision 24.~~ for whom supports and services not
486.3 covered by medical assistance would allow them to:

486.4 (1) live in the least restrictive setting and as independently as possible;

486.5 (2) build or maintain relationships with family and friends; and

486.6 (3) participate in community life.

486.7 (b) Grantees must ensure that individuals are engaged in a process that involves
486.8 person-centered planning and informed choice decision-making. The informed choice
486.9 decision-making process must provide accessible written information and be experiential
486.10 whenever possible.

486.11 Subd. 2. **Eligibility.** An individual is eligible for the transition to community initiative
486.12 if the individual does not meet eligibility criteria for the medical assistance program under
486.13 section 256B.056 or 256B.057, but who meets at least one of the following criteria:

486.14 (1) the person otherwise meet meets the criteria under section 256B.092, subdivision
486.15 13, or 256B.49, subdivision 24;

486.16 (2) the person has met treatment objectives and no longer requires a hospital-level care
486.17 or a secure treatment setting, but the person's discharge from the Anoka Metro Regional
486.18 Treatment Center, the Minnesota Security Hospital, or a community behavioral health
486.19 hospital would be substantially delayed without additional resources available through the
486.20 transitions to community initiative;

486.21 (3) the person is in a community hospital and on the waiting list for the Anoka Metro
486.22 Regional Treatment Center, but alternative community living options would be appropriate
486.23 for the person, and the person has received approval from the commissioner; or

486.24 (4)(i) the person is receiving customized living services reimbursed under section
486.25 256B.4914, 24-hour customized living services reimbursed under section 256B.4914, or
486.26 community residential services reimbursed under section 256B.4914; (ii) the person expresses
486.27 a desire to move; and (iii) the person has received approval from the commissioner.

486.28 Sec. 2. Laws 2021, chapter 30, article 12, section 5, is amended to read:

486.29 **Sec. 5. GOVERNOR'S COUNCIL ON AN AGE-FRIENDLY MINNESOTA.**

486.30 The Governor's Council on an Age-Friendly Minnesota, established in Executive Order
486.31 19-38, shall: (1) work to advance age-friendly policies; and (2) coordinate state, local, and

487.1 private partners' collaborative work on emergency preparedness, with a focus on older
487.2 adults, communities, and persons in zip codes most impacted by the COVID-19 pandemic.
487.3 The Governor's Council on an Age-Friendly Minnesota is extended and expires ~~October 1,~~
487.4 2022 June 30, 2024.

487.5 Sec. 3. **GRANTS FOR TECHNOLOGY FOR HCBS RECIPIENTS.**

487.6 (a) This act includes \$500,000 in fiscal year 2022 and \$2,000,000 in fiscal year 2023
487.7 for the commissioner of human services to issue competitive grants to home and
487.8 community-based service providers. Grants must be used to provide technology assistance,
487.9 including but not limited to Internet services, to older adults and people with disabilities
487.10 who do not have access to technology resources necessary to use remote service delivery
487.11 and telehealth. The general fund base included in this act for this purpose is \$1,500,000 in
487.12 fiscal year 2024 and \$0 in fiscal year 2025.

487.13 (b) All grant activities must be completed by March 31, 2024.

487.14 (c) This section expires June 30, 2024.

487.15 Sec. 4. **DEVELOPMENT OF INDIVIDUAL HCBS PORTAL FOR RECIPIENTS.**

487.16 (a) This act includes \$2,500,000 in fiscal year 2022 and \$2,500,000 in fiscal year 2023
487.17 for the commissioner of human services to develop an online support planning tool for
487.18 people who use home and community-based services waivers. The general fund base included
487.19 in this act for this purpose is \$0 in fiscal year 2024 and \$0 in fiscal year 2025.

487.20 (b) This section expires March 31, 2024.

487.21 Sec. 5. **HOUSING TRANSITIONAL COSTS.**

487.22 Subdivision 1. **Housing transition cost.** (a) This act includes \$682,000 in fiscal year
487.23 2022 and \$1,637,000 in fiscal year 2023 for a onetime payment per transition of up to \$3,000
487.24 to cover costs associated with moving to a community setting that are not covered by other
487.25 sources. Covered costs include: (1) lease or rent deposits; (2) security deposits; (3) utilities
487.26 setup costs, including telephone and Internet services; and (4) essential furnishings and
487.27 supplies. The commissioner of human services shall seek an amendment to the medical
487.28 assistance state plan to allow for these payments as a housing stabilization service under
487.29 Minnesota Statutes, section 256B.051. The general fund base in this act for this purpose is
487.30 \$1,227,000 in fiscal year 2024 and \$0 in fiscal year 2025.

487.31 (b) This subdivision expires March 31, 2024.

488.1 Subd. 2. **Community living infrastructure.** (a) This act includes \$4,000,000 in fiscal
488.2 year 2022 and \$4,000,000 in fiscal year 2023 for additional funding for grants under
488.3 Minnesota Statutes, section 256I.09. In addition to the allowable uses of grants awarded
488.4 under Minnesota Statutes, section 256I.09, grants may also be used to provide direct
488.5 assistance to individuals to access or maintain housing in community settings. Allowable
488.6 uses of grant funds include: (1) lease or rent deposits; (2) security deposits; (3) utilities setup
488.7 costs, including telephone and Internet services; (4) essential furnishings and supplies; and
488.8 (5) costs related to expungement, including filing fees and attorney fees. The general fund
488.9 base in this act for this purpose is \$3,000,000 in fiscal year 2024 and \$0 in fiscal year 2025.

488.10 (b) All grant activities must be completed by March 31, 2024.

488.11 (c) This subdivision expires June 30, 2024.

488.12 **EFFECTIVE DATE.** Subdivision 1 is effective January 1, 2021, or upon federal
488.13 approval, whichever is later. The commissioner of human services shall notify the revisor
488.14 of statutes when federal approval is obtained.

488.15 Sec. 6. **TRANSITION TO COMMUNITY INITIATIVE.**

488.16 (a) This act includes \$5,500,000 in fiscal year 2022 and \$5,500,000 in fiscal year 2023
488.17 for additional funding for grants awarded under the transition to community initiative
488.18 described in Minnesota Statutes, section 256.478. The general fund base in this act for this
488.19 purpose is \$4,125,000 in fiscal year 2024 and \$0 in fiscal year 2025.

488.20 (b) All grant activities must be completed by March 31, 2024.

488.21 (c) This section expires June 30, 2024.

488.22 Sec. 7. **LEAD AGENCY PROCESS MAPPING.**

488.23 (a) This act includes \$1,115,000 in fiscal year 2022 and \$1,751,000 in fiscal year 2023
488.24 for the commissioner of human services to review lead agency policies and business practices
488.25 and to identify potential efficiencies in long-term care consultation services. The
488.26 commissioner must make recommendations to lead agencies based on the review. The
488.27 commissioner of human services shall produce a guide documenting the process for
488.28 determining medical assistance eligibility and authorization of long-term services and
488.29 supports. The commissioner must ensure that the guide is available in accessible formats
488.30 and in multiple languages. The commissioner must ensure the guide is available to people
488.31 and families that request long-term care consultation services. The general fund base in this
488.32 act for this purpose is \$1,188,000 in fiscal year 2024 and \$0 in fiscal year 2025.

489.1 (b) This section expires March 31, 2024.

489.2 Sec. 8. **AGE-FRIENDLY MINNESOTA.**

489.3 Subdivision 1. **Age-friendly community grants.** (a) This act includes \$0 in fiscal year
489.4 2022 and \$875,000 in fiscal year 2023 for age-friendly community grants. The commissioner
489.5 of human services, in collaboration with the Minnesota Board on Aging and the Governor's
489.6 Council on an Age-Friendly Minnesota, established in Executive Order 19-38, shall develop
489.7 the age-friendly community grant program to help communities, including cities, counties,
489.8 other municipalities, tribes, and collaborative efforts, to become age-friendly communities,
489.9 with an emphasis on structures, services, and community features necessary to support older
489.10 adult residents over the next decade, including but not limited to:

489.11 (1) coordination of health and social services;

489.12 (2) transportation access;

489.13 (3) safe, affordable places to live;

489.14 (4) reducing social isolation and improving wellness;

489.15 (5) combating ageism and racism against older adults;

489.16 (6) accessible outdoor space and buildings;

489.17 (7) communication and information technology access; and

489.18 (8) opportunities to stay engaged and economically productive.

489.19 The general fund base in this act for this purpose is \$875,000 in fiscal year 2024 and \$0 in
489.20 fiscal year 2025.

489.21 (b) All grant activities must be completed by March 31, 2024.

489.22 (c) This subdivision expires June 30, 2024.

489.23 Subd. 2. **Technical assistance grants.** (a) This act includes \$0 in fiscal year 2022 and
489.24 \$575,000 in fiscal year 2023 for technical assistance grants. The commissioner of human
489.25 services, in collaboration with the Minnesota Board on Aging and the Governor's Council
489.26 on an Age-Friendly Minnesota, established in Executive Order 19-38, shall develop the
489.27 age-friendly technical assistance grant program. The general fund base in this act for this
489.28 purpose is \$575,000 in fiscal year 2024 and \$0 in fiscal year 2025.

489.29 (b) All grant activities must be completed by March 31, 2024.

489.30 (c) This subdivision expires June 30, 2024.

490.1 **Sec. 9. CONTINUITY OF CARE FOR STUDENTS WITH BEHAVIORAL HEALTH**
490.2 **AND DISABILITY SUPPORT NEEDS.**

490.3 This act includes \$70,000 in fiscal year 2022 and \$0 in fiscal year 2023 for the
490.4 commissioner of human services to collaborate with the commissioner of education and
490.5 consult with stakeholders to: (1) identify strategies to streamline access and reimbursement
490.6 for behavioral health services for students who are enrolled in medical assistance and have
490.7 individualized education programs or individualized family services plans; and (2) avoid
490.8 duplication of services and procedures to the extent practicable. The commissioners must
490.9 identify strategies to reduce administrative burdens for schools while ensuring continuity
490.10 of care for students accessing services when not in school. By January 15, 2022, the
490.11 commissioners must report their findings and recommendations to the chairs and ranking
490.12 minority members of the legislative committees with jurisdiction over early learning
490.13 education through grade 12 and health and human services policy and finance. The general
490.14 fund base in this act for this purpose is \$0 in fiscal year 2024 and \$0 in fiscal year 2025.

490.15 **Sec. 10. PROVIDER CAPACITY GRANTS FOR RURAL AND UNDERSERVED**
490.16 **COMMUNITIES.**

490.17 (a) This act includes \$6,000,000 in fiscal year 2022 and \$8,000,000 in fiscal year 2023
490.18 for the commissioner to establish a grant program for small provider organizations that
490.19 provide services to rural or underserved communities with limited home and
490.20 community-based services provider capacity. The grants are available to build organizational
490.21 capacity to provide home and community-based services in Minnesota and to build new or
490.22 expanded infrastructure to access medical assistance reimbursement. The general fund base
490.23 in this act for this purpose is \$8,000,000 in fiscal year 2024 and \$0 in fiscal year 2025.

490.24 (b) The commissioner shall conduct community engagement, provide technical assistance,
490.25 and establish a collaborative learning community related to the grants available under this
490.26 section and work with the commissioner of management and budget and the commissioner
490.27 of the Department of Administration to mitigate barriers in accessing grant funds. Funding
490.28 awarded for the community engagement activities described in this paragraph is exempt
490.29 from state solicitation requirements under Minnesota Statutes, section 16B.97, for activities
490.30 that occur in fiscal year 2022.

490.31 (c) All grant activities must be completed by March 31, 2024.

490.32 (d) This section expires June 30, 2024.

491.1 **Sec. 11. EXPAND MOBILE CRISIS.**

491.2 (a) This act includes \$8,000,000 in fiscal year 2022 and \$8,000,000 in fiscal year 2023
491.3 for additional funding for grants for adult mobile crisis services under Minnesota Statutes,
491.4 section 245.4661, subdivision 9, paragraph (b), clause (15). The general fund base in this
491.5 act for this purpose is \$4,000,000 in fiscal year 2024 and \$0 in fiscal year 2025.

491.6 (b) Beginning April 1, 2024, counties may fund and continue conducting activities
491.7 funded under this section.

491.8 (c) All grant activities must be completed by March 31, 2024.

491.9 (d) This section expires June 30, 2024.

491.10 **Sec. 12. PSYCHIATRIC RESIDENTIAL TREATMENT FACILITY AND CHILD**
491.11 **AND ADOLESCENT MOBILE TRANSITION UNIT.**

491.12 (a) This act includes \$2,500,000 in fiscal year 2022 and \$2,500,000 in fiscal year 2023
491.13 for the commissioner of human services to create children's mental health transition and
491.14 support teams to facilitate transition back to the community of children from psychiatric
491.15 residential treatment facilities, and child and adolescent behavioral health hospitals. The
491.16 general fund base included in this act for this purpose is \$1,875,000 in fiscal year 2024 and
491.17 \$0 in fiscal year 2025.

491.18 (b) Beginning April 1, 2024, counties may fund and continue conducting activities
491.19 funded under this section.

491.20 (c) This section expires March 31, 2024.

491.21 **Sec. 13. REDUCING RELIANCE ON CHILDREN'S CONGREGATE-CARE**
491.22 **SETTINGS.**

491.23 This act includes \$200,000 in fiscal year 2022 and \$0 in fiscal year 2023 for an analysis
491.24 of the utilization and efficacy of current residential and psychiatric residential treatment
491.25 facility treatment options for children under the state Medicaid program. The commissioner
491.26 of human services must conduct the analysis. When conducting the analysis, the
491.27 commissioner must collaborate with the Department of Health, the Department of Education,
491.28 hospitals, children's treatment facilities, social workers, juvenile justice officials, and parents
491.29 of children receiving care. The commissioner may collaborate with children receiving care
491.30 when conducting the analysis. By February 1, 2022, the commissioner must submit to the
491.31 chairs and ranking minority members of the legislative committees with jurisdiction over
491.32 health and human services a report that identifies systemic obstacles in transitioning children

492.1 into community-based options; identifies gaps in care for children with the most acute
492.2 behavioral health treatment needs; and provides recommendations, including estimated
492.3 costs, to develop infrastructure, eliminate system barriers, and enhance coordination to
492.4 ensure children have access to behavioral health treatment services based on medical
492.5 necessity and family and caregiver needs.

492.6 Sec. 14. **TASK FORCE ON ELIMINATING SUBMINIMUM WAGES.**

492.7 Subdivision 1. **Establishment; purpose.** The Task Force on Eliminating Subminimum
492.8 Wages is established to develop a plan and make recommendations to phase out payment
492.9 of subminimum wages to people with disabilities on or before August 1, 2025.

492.10 Subd. 2. **Definitions.** For the purposes of this section, "subminimum wage" means wages
492.11 authorized under section 14(c) of the federal Fair Labor Standards Act, Minnesota Statutes,
492.12 section 177.28, subdivision 5, or Minnesota Rules, parts 5200.0030 and 5200.0040.

492.13 Subd. 3. **Membership.** (a) The task force consists of 16 members, appointed as follows:

492.14 (1) the commissioner of human services or a designee;

492.15 (2) the commissioner of labor and industry or a designee;

492.16 (3) the commissioner of education or a designee;

492.17 (4) the commissioner of employment and economic development or a designee;

492.18 (5) a representative of the Department of Employment and Economic Development's
492.19 Vocational Rehabilitation Services Division appointed by the commissioner of employment
492.20 and economic development;

492.21 (6) one member appointed by the Minnesota Disability Law Center;

492.22 (7) one member appointed by The Arc of Minnesota;

492.23 (8) three members who are persons with disabilities appointed by the commissioner of
492.24 human services, at least one of whom must be neurodiverse, and at least one of whom must
492.25 have a significant physical disability;

492.26 (9) two representatives of employers authorized to pay subminimum wage and one
492.27 representative of an employer who successfully transitioned away from payment of
492.28 subminimum wages to people with disabilities, appointed by the commissioner of human
492.29 services;

492.30 (10) one member appointed by the Minnesota Organization for Habilitation and
492.31 Rehabilitation;

493.1 (11) one member appointed by ARRM; and

493.2 (12) one member appointed by the State Rehabilitation Council.

493.3 (b) To the extent possible, membership on the task force under paragraph (a) shall reflect
493.4 geographic parity throughout the state and representation from Black, Indigenous, and
493.5 communities of color.

493.6 Subd. 4. **Appointment deadline; first meeting; chair.** Appointing authorities must
493.7 complete member selections by January 1, 2022. The commissioner of human services shall
493.8 convene the first meeting of the task force by February 15, 2022. The task force shall select
493.9 a chair from among its members at its first meeting.

493.10 Subd. 5. **Compensation.** Members shall be compensated and may be reimbursed for
493.11 expenses as provided in Minnesota Statutes, section 15.059, subdivision 3.

493.12 Subd. 6. **Duties; plan and recommendations.** The task force shall:

493.13 (1) develop a plan to phase out the payment of subminimum wages to people with
493.14 disabilities by August 1, 2025;

493.15 (2) consult with and advise the commissioner of human services on statewide plans for
493.16 limiting subminimum wages in medical assistance home and community-based services
493.17 waivers under Minnesota Statutes, sections 256B.092 and 256B.49;

493.18 (3) engage with employees with disabilities paid subminimum wages and conduct
493.19 community education on the payment of subminimum wages to people with disabilities in
493.20 Minnesota;

493.21 (4) identify and collaborate with employees, employers, businesses, organizations,
493.22 agencies, and stakeholders impacted by the phase out of subminimum wage on how to
493.23 implement the plan and create sustainable work opportunities for employees with disabilities;

493.24 (5) propose a plan to establish and evaluate benchmarks for measuring annual progress
493.25 toward eliminating subminimum wages;

493.26 (6) propose a plan to monitor and track outcomes of employees with disabilities;

493.27 (7) identify initiatives, investment, training, and services designed to improve wages,
493.28 reduce unemployment rates, and provide support and sustainable work opportunities for
493.29 persons with disabilities;

493.30 (8) identify benefits to the state in eliminating subminimum wage by August 1, 2025;

494.1 (9) identify barriers to eliminating subminimum wage by August 1, 2025, including the
494.2 cost of implementing and providing ongoing employment services, training, and support
494.3 for employees with disabilities and the cost of paying minimum wage to employees with
494.4 disabilities;

494.5 (10) make recommendations to eliminate the barriers identified in clause (9); and

494.6 (11) identify and make recommendations for sustainable financial support, funding, and
494.7 resources for eliminating subminimum wage by August 1, 2025.

494.8 Subd. 7. **Duties; provider reinvention grants.** (a) The commissioner of human services
494.9 shall establish a provider reinvention grant program to promote independence and increase
494.10 opportunities for people with disabilities to earn competitive wages. The commissioner
494.11 shall make the grants available to at least the following:

494.12 (1) providers of disability services under Minnesota Statutes, sections 256B.092 and
494.13 256B.49, for developing and implementing a business plan to shift the providers' business
494.14 models away from paying waiver participants subminimum wages;

494.15 (2) organizations to develop peer-to-peer mentoring for people with disabilities who
494.16 have successfully transitioned to earning competitive wages;

494.17 (3) organizations to facilitate provider-to-provider mentoring to promote shifting away
494.18 from paying employees with disabilities a subminimum wage; and

494.19 (4) organizations to conduct family outreach and education on working with people with
494.20 disabilities who are transitioning from subminimum wage employment to competitive
494.21 employment.

494.22 (b) The provider reinvention grant program must be competitive. The commissioner of
494.23 human services must develop criteria for evaluating responses to requests for proposals.
494.24 Criteria for evaluating grant applications must be finalized no later than November 1, 2021.
494.25 The commissioner of human services shall administer grants in compliance with Minnesota
494.26 Statutes, sections 16B.97 and 16B.98, and related policies set forth by the Department of
494.27 Administration's Office of Grants Management.

494.28 (c) Grantees must work with the commissioner to develop their business model and, as
494.29 a condition of receiving grant funds, grantees must fully phase out the use of subminimum
494.30 wage by April 1, 2024, unless the grantee receives a waiver from the commissioner of
494.31 human services for a demonstrated need.

494.32 (d) Of the total amount available for provider reinvention grants, the commissioner may
494.33 award up to 25 percent of the grant funds to providers who have already successfully shifted

495.1 their business model away from paying employees with disabilities subminimum wages to
495.2 provide provider-to-provider mentoring to providers receiving a provider reinvention grant.

495.3 Subd. 8. **Report.** By February 15, 2023, the task force shall submit to the chairs and
495.4 ranking minority members of the committees and divisions in the senate and house of
495.5 representatives with jurisdiction over employment and wages and over health and human
495.6 services a report with recommendations to eliminate by August 1, 2025, the payment of
495.7 subminimum wage, and any changes to statutes, laws, or rules required to implement the
495.8 recommendations of the task force. The task force must include in the report a
495.9 recommendation concerning continuing the task force beyond its scheduled expiration.

495.10 Subd. 9. **Administrative support.** The commissioner of human services shall provide
495.11 meeting space and administrative services to the task force.

495.12 Subd. 10. **Expiration.** The task force shall conclude their duties and expire on March
495.13 31, 2024.

495.14 Sec. 15. **MOVING TO INDEPENDENCE: SUBMINIMUM WAGE PHASE-OUT.**

495.15 (a) This act includes \$4,300,000 in fiscal year 2022 and \$5,300,000 in fiscal year 2023
495.16 for the commissioner of human services to establish a reinvention grant program to promote
495.17 independence and increase opportunities for people with disabilities to earn competitive
495.18 wages. The general fund base included in this act for this purpose is \$4,500,000 in fiscal
495.19 year 2024 and \$0 in fiscal year 2025.

495.20 (b) All grant activities must be completed by March 31, 2024.

495.21 (c) This section expires June 30, 2024.

495.22 Sec. 16. **RESEARCH ON ACCESS TO LONG-TERM CARE SERVICES AND**
495.23 **FINANCING.**

495.24 This act includes \$400,000 in fiscal year 2022 and \$300,000 in fiscal year 2023 for an
495.25 actuarial research study of public and private financing options for long-term services and
495.26 supports reform to increase access across the state. The commissioner of human services
495.27 must conduct the study. Of this amount, the commissioner may transfer up to \$100,000 to
495.28 the commissioner of commerce for costs related to the requirements of the study. The general
495.29 fund base included in this act for this purpose is \$0 in fiscal year 2024 and \$0 in fiscal year
495.30 2025.

496.1 **Sec. 17. ADDITIONAL FUNDING FOR RESPITE SERVICES AND STUDIES.**

496.2 **Subdivision 1. Home and community-based service system reform analysis.** This act
496.3 includes \$200,000 in fiscal year 2022 and \$200,000 in fiscal year 2023 for an analysis to
496.4 identify future system reforms to strengthen access to respite services and caregiver supports
496.5 to enhance the Medicaid home and community-based service system for older adults and
496.6 caregivers in Minnesota. The commissioner of human services must conduct the analysis.
496.7 The commissioner must examine Minnesota's existing programs serving older adults and
496.8 identify solutions that provide cost-effective respite services and caregiver supports to an
496.9 expanding population of older adults. The general fund base included in this act for this
496.10 purpose is \$0 in fiscal year 2024 and \$0 in fiscal year 2025.

496.11 **Subd. 2. Own your own future study.** This act includes \$183,000 in fiscal year 2022
496.12 and \$0 in fiscal year 2023 for an analysis of long-term trends in older adults' utilization of
496.13 Medicaid expenditures and need for long-term care services and supports in Minnesota.
496.14 The commissioner of human services must conduct the analysis. The commissioner must
496.15 examine Minnesota's use of nursing facilities and assisted living facilities and utilize
496.16 simulation modeling to estimate future demand for long-term services and supports. The
496.17 funding including in this act for this purpose is available until March 31, 2024.

496.18 **Subd. 3. Respite services for older adults grants.** (a) This act includes \$2,000,000 in
496.19 fiscal year 2022 and \$2,000,000 in fiscal year 2023 for the commissioner of human services
496.20 to establish a grant program for respite services for older adults. The commissioner must
496.21 award grants on a competitive basis to respite service providers. The general fund base
496.22 included in this act for this purpose is \$2,000,000 in fiscal year 2024 and \$0 in fiscal year
496.23 2025.

496.24 (b) All grant activities must be completed by March 31, 2024.

496.25 (c) This subdivision expires June 30, 2024.

496.26 **Sec. 18. MEDICAL ASSISTANCE OUTPATIENT AND BEHAVIORAL HEALTH**
496.27 **SERVICE RATES STUDY.**

496.28 (a) This act includes \$486,000 in fiscal year 2022 and \$696,000 in fiscal year 2023 for
496.29 an analysis of the current rate-setting methodology for all outpatient services in medical
496.30 assistance and MinnesotaCare, including rates for behavioral health, substance use disorder
496.31 treatment, and residential substance use disorder treatment. By January 1, 2022, the
496.32 commissioner shall issue a request for proposals for frameworks and modeling of behavioral
496.33 health services rates. Rates must be predicated on a uniform methodology that is transparent,

497.1 culturally responsive, supports staffing needed to treat a patient's assessed need, and promotes
497.2 quality service delivery, integration of care, and patient choice. The commissioner must
497.3 consult with providers across the spectrum of services, from across each region of the state,
497.4 and culturally responsive providers in the development of the request for proposals and for
497.5 the duration of the contract. The general fund base included in this act for this purpose is
497.6 \$599,000 in fiscal year 2024 and \$0 in fiscal year 2025.

497.7 (b) By January 15, 2023, the commissioner of human services shall submit a preliminary
497.8 report to the chairs and ranking minority members of the legislative committees with
497.9 jurisdiction over human services policy and finance on the initial results. By January 15,
497.10 2024, the commissioner of human services shall submit a final report to the chairs and
497.11 ranking minority members of the legislative committees with jurisdiction over human
497.12 services policy and finance that includes legislative language necessary to modify existing
497.13 or implement new rate methodologies, including a new substance use disorder treatment
497.14 rate methodology, and a detailed fiscal analysis.

497.15 **Sec. 19. CENTERS FOR INDEPENDENT LIVING HCBS ACCESS GRANT.**

497.16 (a) This act includes \$1,200,000 in fiscal year 2022 and \$1,200,000 in fiscal year 2023
497.17 for grants to expand services to support people with disabilities from underserved
497.18 communities who are ineligible for medical assistance to live in their own homes and
497.19 communities by providing accessibility modifications, independent living services, and
497.20 public health program facilitation. The commissioner of human services must award the
497.21 grants in equal amounts to the eight organizations defined in Minnesota Statutes, section
497.22 268A.01, subdivision 8. The general fund base included in this act for this purpose is \$0 in
497.23 fiscal year 2024 and \$0 in fiscal year 2025.

497.24 (b) All grant activities must be completed by March 31, 2024.

497.25 (c) This section expires June 30, 2024.

497.26 **Sec. 20. HCBS WORKFORCE DEVELOPMENT GRANT.**

497.27 (a) This act includes \$0 in fiscal year 2022 and \$5,588,000 in fiscal year 2023 to address
497.28 challenges related to attracting and maintaining direct care workers who provide home and
497.29 community-based services for people with disabilities and older adults. The general fund
497.30 base included in this act for this purpose is \$5,588,000 in fiscal year 2024 and \$0 in fiscal
497.31 year 2025.

498.1 (b) At least 90 percent of funding for this provision must be directed to workers who
498.2 earn 200 percent or less of the most current federal poverty level issued by the United States
498.3 Department of Health and Human Services.

498.4 (c) The commissioner must consult with stakeholders to finalize a report detailing the
498.5 final plan for use of the funds. The commissioner must publish the report by March 1, 2022,
498.6 and notify the chairs and ranking minority members of the legislative committees with
498.7 jurisdiction over health and human services policy and finance.

498.8 Sec. 21. **DIRECTION TO COMMISSIONER; STAKEHOLDER ENGAGEMENT**
498.9 **FOR SPENDING PLAN.**

498.10 Prior to submitting Minnesota's initial state spending plan as described in guidance issued
498.11 by the Centers for Medicare and Medicaid Services for implementation of section 9817 of
498.12 the American Rescue Plan Act of 2021, the commissioner of human services must consult
498.13 with stakeholders about proposals included in the plan.

498.14 Sec. 22. **EFFECTIVE DATE.**

498.15 Unless otherwise specified, each section of this article is effective upon federal approval
498.16 of Minnesota's initial state spending plan as described in guidance issued by the Centers
498.17 for Medicare and Medicaid Services for implementation of section 9817 of the federal
498.18 American Rescue Plan Act of 2021. The commissioner of human services shall notify the
498.19 revisor of statutes when federal approval is obtained.

16A.724 HEALTH CARE ACCESS FUND.

Subd. 2. **Transfers.** (a) Notwithstanding section 295.581, to the extent available resources in the health care access fund exceed expenditures in that fund, effective for the biennium beginning July 1, 2007, the commissioner of management and budget shall transfer the excess funds from the health care access fund to the general fund on June 30 of each year, provided that the amount transferred in fiscal year 2016 shall not exceed \$48,000,000, the amount in fiscal year 2017 shall not exceed \$122,000,000, and the amount in any fiscal biennium thereafter shall not exceed \$244,000,000. The purpose of this transfer is to meet the rate increase required under section 256B.04, subdivision 25.

(b) For fiscal years 2006 to 2011, MinnesotaCare shall be a forecasted program, and, if necessary, the commissioner shall reduce these transfers from the health care access fund to the general fund to meet annual MinnesotaCare expenditures or, if necessary, transfer sufficient funds from the general fund to the health care access fund to meet annual MinnesotaCare expenditures.

62A.67 SHORT TITLE.

Sections 62A.67 to 62A.672 may be cited as the "Minnesota Telemedicine Act."

62A.671 DEFINITIONS.

Subdivision 1. **Applicability.** For purposes of sections 62A.67 to 62A.672, the terms defined in this section have the meanings given.

Subd. 2. **Distant site.** "Distant site" means a site at which a licensed health care provider is located while providing health care services or consultations by means of telemedicine.

Subd. 3. **Health care provider.** "Health care provider" has the meaning provided in section 62A.63, subdivision 2.

Subd. 4. **Health carrier.** "Health carrier" has the meaning provided in section 62A.011, subdivision 2.

Subd. 5. **Health plan.** "Health plan" means a health plan as defined in section 62A.011, subdivision 3, and includes dental plans as defined in section 62Q.76, subdivision 3, but does not include dental plans that provide indemnity-based benefits, regardless of expenses incurred and are designed to pay benefits directly to the policyholder.

Subd. 6. **Licensed health care provider.** "Licensed health care provider" means a health care provider who is:

(1) licensed under chapter 147, 147A, 148, 148B, 148E, 148F, 150A, or 153; a mental health professional as defined under section 245.462, subdivision 18, or 245.4871, subdivision 27; or vendor of medical care defined in section 256B.02, subdivision 7; and

(2) authorized within their respective scope of practice to provide the particular service with no supervision or under general supervision.

Subd. 7. **Originating site.** "Originating site" means a site including, but not limited to, a health care facility at which a patient is located at the time health care services are provided to the patient by means of telemedicine.

Subd. 8. **Store-and-forward technology.** "Store-and-forward technology" means the transmission of a patient's medical information from an originating site to a health care provider at a distant site without the patient being present, or the delivery of telemedicine that does not occur in real time via synchronous transmissions.

Subd. 9. **Telemedicine.** "Telemedicine" means the delivery of health care services or consultations while the patient is at an originating site and the licensed health care provider is at a distant site. A communication between licensed health care providers that consists solely of a telephone conversation, e-mail, or facsimile transmission does not constitute telemedicine consultations or services. A communication between a licensed health care provider and a patient that consists solely of an e-mail or facsimile transmission does not constitute telemedicine consultations or services. Telemedicine may be provided by means of real-time two-way, interactive audio and visual communications, including the application of secure video conferencing or store-and-forward technology to provide or support health care delivery, which facilitate the assessment, diagnosis, consultation, treatment, education, and care management of a patient's health care.

62A.672 COVERAGE OF TELEMEDICINE SERVICES.

Subdivision 1. **Coverage of telemedicine.** (a) A health plan sold, issued, or renewed by a health carrier for which coverage of benefits begins on or after January 1, 2017, shall include coverage for telemedicine benefits in the same manner as any other benefits covered under the policy, plan, or contract, and shall comply with the regulations of this section.

(b) Nothing in this section shall be construed to:

(1) require a health carrier to provide coverage for services that are not medically necessary;

(2) prohibit a health carrier from establishing criteria that a health care provider must meet to demonstrate the safety or efficacy of delivering a particular service via telemedicine for which the health carrier does not already reimburse other health care providers for delivering via telemedicine, so long as the criteria are not unduly burdensome or unreasonable for the particular service; or

(3) prevent a health carrier from requiring a health care provider to agree to certain documentation or billing practices designed to protect the health carrier or patients from fraudulent claims so long as the practices are not unduly burdensome or unreasonable for the particular service.

Subd. 2. **Parity between telemedicine and in-person services.** A health carrier shall not exclude a service for coverage solely because the service is provided via telemedicine and is not provided through in-person consultation or contact between a licensed health care provider and a patient.

Subd. 3. **Reimbursement for telemedicine services.** (a) A health carrier shall reimburse the distant site licensed health care provider for covered services delivered via telemedicine on the same basis and at the same rate as the health carrier would apply to those services if the services had been delivered in person by the distant site licensed health care provider.

(b) It is not a violation of this subdivision for a health carrier to include a deductible, co-payment, or coinsurance requirement for a health care service provided via telemedicine, provided that the deductible, co-payment, or coinsurance is not in addition to, and does not exceed, the deductible, co-payment, or coinsurance applicable if the same services were provided through in-person contact.

62J.63 CENTER FOR HEALTH CARE PURCHASING IMPROVEMENT.

Subd. 3. **Report.** The commissioner of health must report annually to the legislature and the governor on the operations, activities, and impacts of the center. The report must be posted on the Department of Health website and must be available to the public. The report must include a description of the state's efforts to develop and use more common strategies for health care performance measurement and health care purchasing. The report must also include an assessment of the impacts of these efforts, especially in promoting greater transparency of health care costs and quality, and greater accountability for health care results and improvement.

119B.125 PROVIDER REQUIREMENTS.

Subd. 5. **Provisional payment.** After a county receives a completed application from a provider, the county may issue provisional authorization and payment to the provider during the time needed to determine whether to give final authorization to the provider.

144.0721 ASSESSMENTS OF CARE AND SERVICES TO NURSING HOME RESIDENTS.

Subdivision 1. **Appropriateness and quality.** Until the date of implementation of the revised case mix system based on the minimum data set, the commissioner of health shall assess the appropriateness and quality of care and services furnished to private paying residents in nursing homes and boarding care homes that are certified for participation in the medical assistance program under United States Code, title 42, sections 1396-1396p. These assessments shall be conducted until the date of implementation of the revised case mix system with the exception of provisions requiring recommendations for changes in the level of care provided to the private paying residents.

144.0722 RESIDENT REIMBURSEMENT CLASSIFICATIONS.

Subdivision 1. **Resident reimbursement classifications.** The commissioner of health shall establish resident reimbursement classifications based upon the assessments of residents of nursing homes and boarding care homes conducted under section 144.0721, or under rules established by the commissioner of human services under chapter 256R. The reimbursement classifications established by the commissioner must conform to the rules established by the commissioner of human services.

APPENDIX
Repealed Minnesota Statutes: 211-H0033-2

Subd. 2. **Notice of resident reimbursement classification.** The commissioner of health shall notify each resident, and the nursing home or boarding care home in which the resident resides, of the reimbursement classification established under subdivision 1. The notice must inform the resident of the classification that was assigned, the opportunity to review the documentation supporting the classification, the opportunity to obtain clarification from the commissioner, and the opportunity to request a reconsideration of the classification. The notice of resident classification must be sent by first-class mail. The individual resident notices may be sent to the resident's nursing home or boarding care home for distribution to the resident. The nursing home or boarding care home is responsible for the distribution of the notice to each resident, to the person responsible for the payment of the resident's nursing home expenses, or to another person designated by the resident. This notice must be distributed within three working days after the facility's receipt of the notices from the department.

Subd. 2a. **Semiannual assessment by nursing facilities.** Notwithstanding Minnesota Rules, part 9549.0059, subpart 2, item B, the individual dependencies items 21 to 24 and 28 are required to be completed in accordance with the Facility Manual for Completing Case Mix Requests for Classification, July 1987, issued by the Minnesota Department of Health.

Subd. 3. **Request for reconsideration.** The resident or the nursing home or boarding care home may request that the commissioner reconsider the assigned reimbursement classification. The request for reconsideration must be submitted in writing to the commissioner within 30 days of the receipt of the notice of resident classification. For reconsideration requests submitted by or on behalf of the resident, the time period for submission of the request begins as of the date the resident or the resident's representative receives the classification notice. The request for reconsideration must include the name of the resident, the name and address of the facility in which the resident resides, the reasons for the reconsideration, the requested classification changes, and documentation supporting the requested classification. The documentation accompanying the reconsideration request is limited to documentation establishing that the needs of the resident at the time of the assessment resulting in the disputed classification justify a change of classification.

Subd. 3a. **Access to information.** Upon written request, the nursing home or boarding care home must give the resident or the resident's representative a copy of the assessment form and the other documentation that was given to the department to support the assessment findings. The nursing home or boarding care home shall also provide access to and a copy of other information from the resident's record that has been requested by or on behalf of the resident to support a resident's reconsideration request. A copy of any requested material must be provided within three working days of receipt of a written request for the information. If a facility fails to provide the material within this time, it is subject to the issuance of a correction order and penalty assessment under sections 144.653 and 144A.10. Notwithstanding those sections, any correction order issued under this subdivision must require that the facility immediately comply with the request for information and that as of the date of the issuance of the correction order, the facility shall forfeit to the state a \$100 fine the first day of noncompliance, and an increase in the \$100 fine by \$50 increments for each day the noncompliance continues. For the purposes of this section, "representative" includes the resident's guardian or conservator, the person authorized to pay the nursing home expenses of the resident, a representative of the nursing home ombudsman's office whose assistance has been requested, or any other individual designated by the resident.

Subd. 3b. **Facility's request for reconsideration.** In addition to the information required in subdivision 3, a reconsideration request from a nursing home or boarding care home must contain the following information: the date the resident reimbursement classification notices were received by the facility; the date the classification notices were distributed to the resident or the resident's representative; and a copy of a notice sent to the resident or to the resident's representative. This notice must tell the resident or the resident's representative that a reconsideration of the resident's classification is being requested, the reason for the request, that the resident's rate will change if the request is approved by the department and the extent of the change, that copies of the facility's request and supporting documentation are available for review, and that the resident also has the right to request a reconsideration. If the facility fails to provide this information with the reconsideration request, the request must be denied, and the facility may not make further reconsideration requests on that specific reimbursement classification.

Subd. 4. **Reconsideration.** The commissioner's reconsideration must be made by individuals not involved in reviewing the assessment that established the disputed classification. The reconsideration must be based upon the initial assessment and upon the information provided to the commissioner under subdivision 3. If necessary for evaluating the reconsideration request, the commissioner may conduct on-site reviews. In its discretion, the commissioner may review the

reimbursement classifications assigned to all residents in the facility. Within 15 working days of receiving the request for reconsideration, the commissioner shall affirm or modify the original resident classification. The original classification must be modified if the commissioner determines that the assessment resulting in the classification did not accurately reflect the needs of the resident at the time of the assessment. The resident and the nursing home or boarding care home shall be notified within five working days after the decision is made. The commissioner's decision under this subdivision is the final administrative decision of the agency.

Subd. 5. **Audit authority.** The Department of Health may audit assessments of nursing home and boarding care home residents. These audits may be in addition to the assessments completed by the department under section 144.0721. The audits may be conducted at the facility, and the department may conduct the audits on an unannounced basis.

144.0724 RESIDENT REIMBURSEMENT CLASSIFICATION.

Subd. 10. **Transition.** After implementation of this section, reconsiderations requested for classifications made under section 144.0722, subdivision 1, shall be determined under section 144.0722, subdivision 3.

144.693 MEDICAL MALPRACTICE CLAIMS; REPORTS.

Subdivision 1. **Insurers' reports to commissioner.** On or before September 1, 1976, and on or before March 1 and September 1 of each year thereafter, each insurer providing professional liability insurance to one or more hospitals, outpatient surgery centers, or health maintenance organizations, shall submit to the state commissioner of health a report listing by facility or organization all claims which have been closed by or filed with the insurer during the period ending December 31 of the previous year or June 30 of the current year. The report shall contain, but not be limited to, the following information:

- (1) the total number of claims made against each facility or organization which were filed or closed during the reporting period;
- (2) the date each new claim was filed with the insurer;
- (3) the allegations contained in each claim filed during the reporting period;
- (4) the disposition and closing date of each claim closed during the reporting period;
- (5) the dollar amount of the award or settlement for each claim closed during the reporting period; and
- (6) any other information the commissioner of health may, by rule, require.

Any hospital, outpatient surgery center, or health maintenance organization which is self insured shall be considered to be an insurer for the purposes of this section and shall comply with the reporting provisions of this section.

A report from an insurer submitted pursuant to this section is private data, as defined in section 13.02, subdivision 12, accessible to the facility or organization which is the subject of the data, and to its authorized agents. Any data relating to patient records which is reported to the state commissioner of health pursuant to this section shall be reported in the form of summary data, as defined in section 13.02, subdivision 19.

Subd. 2. **Report to legislature.** The state commissioner of health shall collect and review the data reported pursuant to subdivision 1. On December 1, 1976, and on January 2 of each year thereafter, the state commissioner of health shall report to the legislature the findings related to the incidence and size of malpractice claims against hospitals, outpatient surgery centers, and health maintenance organizations, and shall make any appropriate recommendations to reduce the incidence and size of the claims. Data published by the state commissioner of health pursuant to this subdivision with respect to malpractice claims information shall be summary data within the meaning of section 13.02, subdivision 19.

Subd. 3. **Access to insurers' records.** The state commissioner of health shall have access to the records of any insurer relating to malpractice claims made against hospitals, outpatient surgery centers, and health maintenance organizations in years prior to 1976 if the commissioner determines the records are necessary to fulfill the duties of the commissioner under Laws 1976, chapter 325.

245.4871 DEFINITIONS.

Subd. 32a. **Responsible social services agency.** "Responsible social services agency" is defined in section 260C.007, subdivision 27a.

256B.0596 MENTAL HEALTH CASE MANAGEMENT.

256B.0596 MENTAL HEALTH CASE MANAGEMENT.

Counties shall contract with eligible providers willing to provide mental health case management services under section 256B.0625, subdivision 20. In order to be eligible, in addition to general provider requirements under this chapter, the provider must:

- (1) be willing to provide the mental health case management services; and
- (2) have a minimum of at least one contact with the client per week. This section is not intended to limit the ability of a county to provide its own mental health case management services.

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256B.0916 EXPANSION OF HOME AND COMMUNITY-BASED SERVICES.

Subd. 2. **Distribution of funds; partnerships.** (a) Beginning with fiscal year 2000, the commissioner shall distribute all funding available for home and community-based waiver services for persons with developmental disabilities to individual counties or to groups of counties that form partnerships to jointly plan, administer, and authorize funding for eligible individuals. The commissioner shall encourage counties to form partnerships that have a sufficient number of recipients and funding to adequately manage the risk and maximize use of available resources.

(b) Counties must submit a request for funds and a plan for administering the program as required by the commissioner. The plan must identify the number of clients to be served, their ages, and their priority listing based on:

- (1) requirements in Minnesota Rules, part 9525.1880; and
- (2) statewide priorities identified in section 256B.092, subdivision 12.

The plan must also identify changes made to improve services to eligible persons and to improve program management.

(c) In allocating resources to counties, priority must be given to groups of counties that form partnerships to jointly plan, administer, and authorize funding for eligible individuals and to counties determined by the commissioner to have sufficient waiver capacity to maximize resource use.

(d) Within 30 days after receiving the county request for funds and plans, the commissioner shall provide a written response to the plan that includes the level of resources available to serve additional persons.

(e) Counties are eligible to receive medical assistance administrative reimbursement for administrative costs under criteria established by the commissioner.

(f) The commissioner shall manage waiver allocations in such a manner as to fully use available state and federal waiver appropriations.

Subd. 3. **Failure to develop partnerships or submit a plan.** (a) By October 1 of each year the commissioner shall notify the county board if any county determined by the commissioner to have insufficient capacity to maximize use of available resources fails to develop a partnership with other counties or fails to submit a plan as required in subdivision 2. The commissioner shall provide needed technical assistance to a county or group of counties that fails to form a partnership or submit a plan. If a county has not joined a county partnership or submitted a plan within 30 days following the notice by the commissioner of its failure, the commissioner shall require and assist that county to develop a plan or contract with another county or group of counties to plan and administer the waiver services program in that county.

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(b) Counties may request technical assistance, management information, and administrative support from the commissioner at any time. The commissioner shall respond to county requests within 30 days. Priority shall be given to activities that support the administrative needs of newly formed county partnerships.

Subd. 4. **Allowed reserve.** Counties or groups of counties participating in partnerships that have submitted a plan under this section may develop an allowed reserve amount to meet crises and other unmet needs of current home and community-based waiver recipients. The amount of the allowed reserve shall be a county specific amount based upon documented past experience and projected need for the coming year described in an allowed reserve plan submitted for approval to the commissioner with the allocation request for the fiscal year.

Subd. 5. **Allocation of new diversions and priorities for reassignment of resources for developmental disabilities.** (a) The commissioner shall monitor county utilization of allocated resources and, as appropriate, reassign resources not utilized.

(b) Effective July 1, 2002, the commissioner shall authorize the spending of new diversion resources beginning January 1 of each year.

(c) Effective July 1, 2002, the commissioner shall manage the reassignment of waiver resources that occur from persons who have left the waiver in a manner that results in the cost reduction equivalent to delaying the reuse of those waiver resources by 180 days.

(d) Priority consideration for reassignment of resources shall be given to counties that form partnerships. In addition to the priorities listed in Minnesota Rules, part 9525.1880, the commissioner shall also give priority consideration to persons whose living situations are unstable due to the age or incapacity of the primary caregiver and to children to avoid out-of-home placement.

Subd. 8. **Financial and wait-list data reporting.** (a) The commissioner shall make available financial and waiting list information on the department's website.

(b) The financial information must include:

(1) the most recent end of session forecast available for the disability home and community-based waiver programs authorized under sections 256B.092 and 256B.49; and

(2) the most current financial information, updated at least monthly for the disability home and community-based waiver program authorized under section 256B.092 and three disability home and community-based waiver programs authorized under section 256B.49 for each county and tribal agency, including:

(i) the amount of resources allocated;

(ii) the amount of resources authorized for participants; and

(iii) the amount of allocated resources not authorized and the amount not used as provided in subdivision 12, and section 256B.49, subdivision 27.

(c) The waiting list information must be provided quarterly beginning August 1, 2016, and must include at least:

(1) the number of persons screened and waiting for services listed by urgency category, the number of months on the wait list, age group, and the type of services requested by those waiting;

(2) the number of persons beginning waiver services who were on the waiting list, and the number of persons beginning waiver services who were not on the waiting list;

(3) the number of persons who left the waiting list but did not begin waiver services; and

(4) the number of persons on the waiting list with approved funding but without a waiver service agreement and the number of days from funding approval until a service agreement is effective for each person.

(d) By December 1 of each year, the commissioner shall compile a report posted on the department's website that includes:

(1) the financial information listed in paragraph (b) for the most recently completed allocation period;

(2) for the previous four quarters, the waiting list information listed in paragraph (c);

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(3) for a 12-month period ending October 31, a list of county and tribal agencies required to submit a corrective action plan under subdivisions 11 and 12, and section 256B.49, subdivisions 26 and 27; and

(4) for a 12-month period ending October 31, a list of the county and tribal agencies from which resources were moved as authorized in section 256B.092, subdivision 12, and section 256B.49, subdivision 11a, the amount of resources taken from each agency, the counties that were given increased resources as a result, and the amounts provided.

Subd. 11. **Excess spending.** County and tribal agencies are responsible for spending in excess of the allocation made by the commissioner. In the event a county or tribal agency spends in excess of the allocation made by the commissioner for a given allocation period, they must submit a corrective action plan to the commissioner for approval. The plan must state the actions the agency will take to correct their overspending for the two years following the period when the overspending occurred. The commissioner shall recoup spending in excess of the allocation only in cases where statewide spending exceeds the appropriation designated for the home and community-based services waivers. Nothing in this subdivision shall be construed as reducing the county's responsibility to offer and make available feasible home and community-based options to eligible waiver recipients within the resources allocated to them for that purpose.

Subd. 12. **Use of waiver allocations.** County and tribal agencies are responsible for spending the annual allocation made by the commissioner. In the event a county or tribal agency spends less than 97 percent of the allocation, while maintaining a list of persons waiting for waiver services, the county or tribal agency must submit a corrective action plan to the commissioner for approval. The commissioner may determine a plan is unnecessary given the size of the allocation and capacity for new enrollment. The plan must state the actions the agency will take to assure reasonable and timely access to home and community-based waiver services for persons waiting for services. If a county or tribe does not submit a plan when required or implement the changes required, the commissioner shall assure access to waiver services within the county's or tribe's available allocation and take other actions needed to assure that all waiver participants in that county or tribe are receiving appropriate waiver services to meet their needs.

256B.0924 TARGETED CASE MANAGEMENT SERVICES.

Subd. 4a. **Targeted case management through interactive video.** (a) Subject to federal approval, contact made for targeted case management by interactive video shall be eligible for payment under subdivision 6 if:

(1) the person receiving targeted case management services is residing in:

(i) a hospital;

(ii) a nursing facility; or

(iii) a residential setting licensed under chapter 245A or 245D or a boarding and lodging establishment or lodging establishment that provides supportive services or health supervision services according to section 157.17 that is staffed 24 hours a day, seven days a week;

(2) interactive video is in the best interests of the person and is deemed appropriate by the person receiving targeted case management or the person's legal guardian, the case management provider, and the provider operating the setting where the person is residing;

(3) the use of interactive video is approved as part of the person's written personal service or case plan; and

(4) interactive video is used for up to, but not more than, 50 percent of the minimum required face-to-face contact.

(b) The person receiving targeted case management or the person's legal guardian has the right to choose and consent to the use of interactive video under this subdivision and has the right to refuse the use of interactive video at any time.

(c) The commissioner shall establish criteria that a targeted case management provider must attest to in order to demonstrate the safety or efficacy of delivering the service via interactive video. The attestation may include that the case management provider has:

(1) written policies and procedures specific to interactive video services that are regularly reviewed and updated;

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(2) policies and procedures that adequately address client safety before, during, and after the interactive video services are rendered;

(3) established protocols addressing how and when to discontinue interactive video services; and

(4) established a quality assurance process related to interactive video services.

(d) As a condition of payment, the targeted case management provider must document the following for each occurrence of targeted case management provided by interactive video:

(1) the time the service began and the time the service ended, including an a.m. and p.m. designation;

(2) the basis for determining that interactive video is an appropriate and effective means for delivering the service to the person receiving case management services;

(3) the mode of transmission of the interactive video services and records evidencing that a particular mode of transmission was utilized;

(4) the location of the originating site and the distant site; and

(5) compliance with the criteria attested to by the targeted case management provider as provided in paragraph (c).

256B.097 STATE QUALITY ASSURANCE, QUALITY IMPROVEMENT, AND LICENSING SYSTEM.

Subdivision 1. **Scope.** (a) In order to improve the quality of services provided to Minnesotans with disabilities and to meet the requirements of the federally approved home and community-based waivers under section 1915c of the Social Security Act, a State Quality Assurance, Quality Improvement, and Licensing System for Minnesotans receiving disability services is enacted. This system is a partnership between the Department of Human Services and the State Quality Council established under subdivision 3.

(b) This system is a result of the recommendations from the Department of Human Services' licensing and alternative quality assurance study mandated under Laws 2005, First Special Session chapter 4, article 7, section 57, and presented to the legislature in February 2007.

(c) The disability services eligible under this section include:

(1) the home and community-based services waiver programs for persons with developmental disabilities under section 256B.092, subdivision 4, or section 256B.49, including brain injuries and services for those who qualify for nursing facility level of care or hospital facility level of care and any other services licensed under chapter 245D;

(2) home care services under section 256B.0651;

(3) family support grants under section 252.32;

(4) consumer support grants under section 256.476;

(5) semi-independent living services under section 252.275; and

(6) services provided through an intermediate care facility for the developmentally disabled.

(d) For purposes of this section, the following definitions apply:

(1) "commissioner" means the commissioner of human services;

(2) "council" means the State Quality Council under subdivision 3;

(3) "Quality Assurance Commission" means the commission under section 256B.0951; and

(4) "system" means the State Quality Assurance, Quality Improvement and Licensing System under this section.

Subd. 2. **Duties of commissioner of human services.** (a) The commissioner of human services shall establish the State Quality Council under subdivision 3.

(b) The commissioner shall initially delegate authority to perform licensing functions and activities according to section 245A.16 to a host county in Region 10. The commissioner must not license or reimburse a participating facility, program, or service located in Region 10 if the

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commissioner has received notification from the host county that the facility, program, or service has failed to qualify for licensure.

(c) The commissioner may conduct random licensing inspections based on outcomes adopted under section 256B.0951, subdivision 3, at facilities or programs, and of services eligible under this section. The role of the random inspections is to verify that the system protects the safety and well-being of persons served and maintains the availability of high-quality services for persons with disabilities.

(d) The commissioner shall ensure that the federal home and community-based waiver requirements are met and that incidents that may have jeopardized safety and health or violated services-related assurances, civil and human rights, and other protections designed to prevent abuse, neglect, and exploitation, are reviewed, investigated, and acted upon in a timely manner.

(e) The commissioner shall seek a federal waiver by July 1, 2012, to allow intermediate care facilities for persons with developmental disabilities to participate in this system.

Subd. 3. **State Quality Council.** (a) There is hereby created a State Quality Council which must define regional quality councils, and carry out a community-based, person-directed quality review component, and a comprehensive system for effective incident reporting, investigation, analysis, and follow-up.

(b) By August 1, 2011, the commissioner of human services shall appoint the members of the initial State Quality Council. Members shall include representatives from the following groups:

(1) disability service recipients and their family members;

(2) during the first four years of the State Quality Council, there must be at least three members from the Region 10 stakeholders. As regional quality councils are formed under subdivision 4, each regional quality council shall appoint one member;

(3) disability service providers;

(4) disability advocacy groups; and

(5) county human services agencies and staff from the Department of Human Services and Ombudsman for Mental Health and Developmental Disabilities.

(c) Members of the council who do not receive a salary or wages from an employer for time spent on council duties may receive a per diem payment when performing council duties and functions.

(d) The State Quality Council shall:

(1) assist the Department of Human Services in fulfilling federally mandated obligations by monitoring disability service quality and quality assurance and improvement practices in Minnesota;

(2) establish state quality improvement priorities with methods for achieving results and provide an annual report to the legislative committees with jurisdiction over policy and funding of disability services on the outcomes, improvement priorities, and activities undertaken by the commission during the previous state fiscal year;

(3) identify issues pertaining to financial and personal risk that impede Minnesotans with disabilities from optimizing choice of community-based services; and

(4) recommend to the chairs and ranking minority members of the legislative committees with jurisdiction over human services and civil law by January 15, 2014, statutory and rule changes related to the findings under clause (3) that promote individualized service and housing choices balanced with appropriate individualized protection.

(e) The State Quality Council, in partnership with the commissioner, shall:

(1) approve and direct implementation of the community-based, person-directed system established in this section;

(2) recommend an appropriate method of funding this system, and determine the feasibility of the use of Medicaid, licensing fees, as well as other possible funding options;

(3) approve measurable outcomes in the areas of health and safety, consumer evaluation, education and training, providers, and systems;

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(4) establish variable licensure periods not to exceed three years based on outcomes achieved; and

(5) in cooperation with the Quality Assurance Commission, design a transition plan for licensed providers from Region 10 into the alternative licensing system.

(f) The State Quality Council shall notify the commissioner of human services that a facility, program, or service has been reviewed by quality assurance team members under subdivision 4, paragraph (b), clause (13), and qualifies for a license.

(g) The State Quality Council, in partnership with the commissioner, shall establish an ongoing review process for the system. The review shall take into account the comprehensive nature of the system which is designed to evaluate the broad spectrum of licensed and unlicensed entities that provide services to persons with disabilities. The review shall address efficiencies and effectiveness of the system.

(h) The State Quality Council may recommend to the commissioner certain variances from the standards governing licensure of programs for persons with disabilities in order to improve the quality of services so long as the recommended variances do not adversely affect the health or safety of persons being served or compromise the qualifications of staff to provide services.

(i) The safety standards, rights, or procedural protections referenced under subdivision 2, paragraph (c), shall not be varied. The State Quality Council may make recommendations to the commissioner or to the legislature in the report required under paragraph (c) regarding alternatives or modifications to the safety standards, rights, or procedural protections referenced under subdivision 2, paragraph (c).

(j) The State Quality Council may hire staff to perform the duties assigned in this subdivision.

Subd. 4. **Regional quality councils.** (a) The commissioner shall establish, as selected by the State Quality Council, regional quality councils of key stakeholders, including regional representatives of:

- (1) disability service recipients and their family members;
- (2) disability service providers;
- (3) disability advocacy groups; and

(4) county human services agencies and staff from the Department of Human Services and Ombudsman for Mental Health and Developmental Disabilities.

(b) Each regional quality council shall:

- (1) direct and monitor the community-based, person-directed quality assurance system in this section;
- (2) approve a training program for quality assurance team members under clause (13);
- (3) review summary reports from quality assurance team reviews and make recommendations to the State Quality Council regarding program licensure;
- (4) make recommendations to the State Quality Council regarding the system;
- (5) resolve complaints between the quality assurance teams, counties, providers, persons receiving services, their families, and legal representatives;
- (6) analyze and review quality outcomes and critical incident data reporting incidents of life safety concerns immediately to the Department of Human Services licensing division;
- (7) provide information and training programs for persons with disabilities and their families and legal representatives on service options and quality expectations;
- (8) disseminate information and resources developed to other regional quality councils;
- (9) respond to state-level priorities;
- (10) establish regional priorities for quality improvement;
- (11) submit an annual report to the State Quality Council on the status, outcomes, improvement priorities, and activities in the region;

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(12) choose a representative to participate on the State Quality Council and assume other responsibilities consistent with the priorities of the State Quality Council; and

(13) recruit, train, and assign duties to members of quality assurance teams, taking into account the size of the service provider, the number of services to be reviewed, the skills necessary for the team members to complete the process, and ensure that no team member has a financial, personal, or family relationship with the facility, program, or service being reviewed or with anyone served at the facility, program, or service. Quality assurance teams must be comprised of county staff, persons receiving services or the person's families, legal representatives, members of advocacy organizations, providers, and other involved community members. Team members must complete the training program approved by the regional quality council and must demonstrate performance-based competency. Team members may be paid a per diem and reimbursed for expenses related to their participation in the quality assurance process.

(c) The commissioner shall monitor the safety standards, rights, and procedural protections for the monitoring of psychotropic medications and those identified under sections 245.825; 245.91 to 245.97; 245A.09, subdivision 2, paragraph (c), clauses (2) and (5); 245A.12; 245A.13; 252.41, subdivision 9; 256B.092, subdivision 1b, clause (7); and 626.557; and chapter 260E.

(d) The regional quality councils may hire staff to perform the duties assigned in this subdivision.

(e) The regional quality councils may charge fees for their services.

(f) The quality assurance process undertaken by a regional quality council consists of an evaluation by a quality assurance team of the facility, program, or service. The process must include an evaluation of a random sample of persons served. The sample must be representative of each service provided. The sample size must be at least five percent but not less than two persons served. All persons must be given the opportunity to be included in the quality assurance process in addition to those chosen for the random sample.

(g) A facility, program, or service may contest a licensing decision of the regional quality council as permitted under chapter 245A.

Subd. 5. Annual survey of service recipients. The commissioner, in consultation with the State Quality Council, shall conduct an annual independent statewide survey of service recipients, randomly selected, to determine the effectiveness and quality of disability services. The survey must be consistent with the system performance expectations of the Centers for Medicare and Medicaid Services (CMS) Quality Framework. The survey must analyze whether desired outcomes for persons with different demographic, diagnostic, health, and functional needs, who are receiving different types of services in different settings and with different costs, have been achieved. Annual statewide and regional reports of the results must be published and used to assist regions, counties, and providers to plan and measure the impact of quality improvement activities.

Subd. 6. Mandated reporters. Members of the State Quality Council under subdivision 3, the regional quality councils under subdivision 4, and quality assurance team members under subdivision 4, paragraph (b), clause (13), are mandated reporters as defined in sections 260E.06, subdivision 1, and 626.5572, subdivision 16.

256B.49 HOME AND COMMUNITY-BASED SERVICE WAIVERS FOR PERSONS WITH DISABILITIES.

Subd. 26. Excess allocations. Effective July 1, 2018, county and tribal agencies will be responsible for spending in excess of the annual allocation made by the commissioner. In the event a county or tribal agency spends in excess of the allocation made by the commissioner for a given allocation period, the county or tribal agency must submit a corrective action plan to the commissioner for approval. The plan must state the actions the agency will take to correct its overspending for the two years following the period when the overspending occurred. The commissioner shall recoup funds spent in excess of the allocation only in cases when statewide spending exceeds the appropriation designated for the home and community-based services waivers. Nothing in this subdivision shall be construed as reducing the county or tribe's responsibility to offer and make available feasible home and community-based options to eligible waiver recipients within the resources allocated to it for that purpose.

Subd. 27. Use of waiver allocations. (a) Effective until June 30, 2018, county and tribal agencies are responsible for authorizing the annual allocation made by the commissioner. In the event a county or tribal agency authorizes less than 97 percent of the allocation, while maintaining a list of persons waiting for waiver services, the county or tribal agency must submit a corrective action plan to the commissioner for approval. The commissioner may determine a plan is unnecessary

given the size of the allocation and capacity for new enrollment. The plan must state the actions the agency will take to assure reasonable and timely access to home and community-based waiver services for persons waiting for services.

(b) Effective July 1, 2018, county and tribal agencies are responsible for spending the annual allocation made by the commissioner. In the event a county or tribal agency spends less than 97 percent of the allocation, while maintaining a list of persons waiting for waiver services, the county or tribal agency must submit a corrective action plan to the commissioner for approval. The commissioner may determine a plan is unnecessary given the size of the allocation and capacity for new enrollment. The plan must state the actions the agency will take to assure reasonable and timely access to home and community-based waiver services for persons waiting for services.

(c) If a county or tribe does not submit a plan when required or implement the changes required, the commissioner shall assure access to waiver services within the county or tribe's available allocation, and take other actions needed to assure that all waiver participants in that county or tribe are receiving appropriate waiver services to meet their needs.

256B.4905 HOME AND COMMUNITY-BASED SERVICES POLICY STATEMENT.

Subdivision 1. **Employment first policy.** It is the policy of this state that all working-age Minnesotans with disabilities can work, want to work, and can achieve competitive integrated employment, and that each working-age Minnesotan with a disability be offered the opportunity to work and earn a competitive wage before being offered other supports and services.

Subd. 2. **Employment first implementation for disability waiver services.** The commissioner of human services shall ensure that:

(1) the disability waivers under sections 256B.092 and 256B.49 support the presumption that all working-age Minnesotans with disabilities can work, want to work, and can achieve competitive integrated employment; and

(2) each waiver recipient of working age be offered, after an informed decision-making process and during a person-centered planning process, the opportunity to work and earn a competitive wage before being offered exclusively day services as defined in section 245D.03, subdivision 1, paragraph (c), clause (4), or successor provisions.

Subd. 3. **Independent living first policy.** It is the policy of this state that all adult Minnesotans with disabilities can and want to live independently with proper supports and services and that each adult Minnesotan with a disability be offered the opportunity to live as independently as possible before being offered supports and services in provider-controlled settings.

Subd. 4. **Independent living first implementation for disability waiver services.** The commissioner of human services shall ensure that:

(1) the disability waivers under sections 256B.092 and 256B.49 support the presumption that all adult Minnesotans with disabilities can and want to live independently with proper services and supports as needed; and

(2) each adult waiver recipient be offered, after an informed decision-making process and during a person-centered planning process, the opportunity to live as independently as possible before being offered customized living services provided in a single family home or residential supports and services as defined in section 245D.03, subdivision 1, paragraph (c), clause (3), or successor provisions, unless the residential supports and services are provided in a family adult foster care residence under a shared living option as described in Laws 2013, chapter 108, article 7, section 62.

Subd. 5. **Self-direction first policy.** It is the policy of this state that adult Minnesotans with disabilities and families of children with disabilities can and want to use self-directed services and supports and that each adult Minnesotan with a disability and each family of the child with a disability be offered the opportunity to choose self-directed services and supports before being offered services and supports that are not self-directed.

Subd. 6. **Self-directed first implementation for disability waiver services.** The commissioner of human services shall ensure that:

(1) the disability waivers under sections 256B.092 and 256B.49 support the presumption that adult Minnesotans with disabilities and families of children with disabilities can and want to use self-directed services and supports, including self-directed funding options; and

(2) each waiver recipient be offered, after an informed decision-making process and during a person-centered planning process, the opportunity to choose self-directed services and supports, including self-directed funding options, before being offered services and supports that are not self-directed.

256D.051 SNAP EMPLOYMENT AND TRAINING PROGRAM.

Subdivision 1. **SNAP employment and training program.** The commissioner shall implement a SNAP employment and training program in order to meet the SNAP employment and training participation requirements of the United States Department of Agriculture. Unless exempt under subdivision 3a, each adult recipient in the unit must participate in the SNAP employment and training program each month that the person is eligible for SNAP benefits. The person's participation in SNAP employment and training services must begin no later than the first day of the calendar month following the determination of eligibility for SNAP benefits. With the county agency's consent, and to the extent of available resources, the person may voluntarily continue to participate in SNAP employment and training services for up to three additional consecutive months immediately following termination of SNAP benefits in order to complete the provisions of the person's employability development plan.

Subd. 1a. **Notices and sanctions.** (a) At the time the county agency notifies the household that it is eligible for SNAP benefits, the county agency must inform all mandatory employment and training services participants as identified in subdivision 1 in the household that they must comply with all SNAP employment and training program requirements each month, including the requirement to attend an initial orientation to the SNAP employment and training program and that SNAP eligibility will end unless the participants comply with the requirements specified in the notice.

(b) A participant who fails without good cause to comply with SNAP employment and training program requirements of this section, including attendance at orientation, will lose SNAP eligibility for the following periods:

(1) for the first occurrence, for one month or until the person complies with the requirements not previously complied with, whichever is longer;

(2) for the second occurrence, for three months or until the person complies with the requirements not previously complied with, whichever is longer; or

(3) for the third and any subsequent occurrence, for six months or until the person complies with the requirements not previously complied with, whichever is longer.

If the participant is not the SNAP head of household, the person shall be considered an ineligible household member for SNAP purposes. If the participant is the SNAP head of household, the entire household is ineligible for SNAP as provided in Code of Federal Regulations, title 7, section 273.7(g). "Good cause" means circumstances beyond the control of the participant, such as illness or injury, illness or injury of another household member requiring the participant's presence, a household emergency, or the inability to obtain child care for children between the ages of six and 12 or to obtain transportation needed in order for the participant to meet the SNAP employment and training program participation requirements.

(c) The county agency shall mail or hand deliver a notice to the participant not later than five days after determining that the participant has failed without good cause to comply with SNAP employment and training program requirements which specifies the requirements that were not complied with, the factual basis for the determination of noncompliance, and the right to reinstate eligibility upon a showing of good cause for failure to meet the requirements. The notice must ask the reason for the noncompliance and identify the participant's appeal rights. The notice must request that the participant inform the county agency if the participant believes that good cause existed for the failure to comply and must state that the county agency intends to terminate eligibility for SNAP benefits due to failure to comply with SNAP employment and training program requirements.

(d) If the county agency determines that the participant did not comply during the month with all SNAP employment and training program requirements that were in effect, and if the county agency determines that good cause was not present, the county must provide a ten-day notice of termination of SNAP benefits. The amount of SNAP benefits that are withheld from the household and determination of the impact of the sanction on other household members is governed by Code of Federal Regulations, title 7, section 273.7.

(e) The participant may appeal the termination of SNAP benefits under the provisions of section 256.045.

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Subd. 2. **County agency duties.** (a) The county agency shall provide to SNAP benefit recipients a SNAP employment and training program. The program must include:

- (1) orientation to the SNAP employment and training program;
- (2) an individualized employability assessment and an individualized employability development plan that includes assessment of literacy, ability to communicate in the English language, educational and employment history, and that estimates the length of time it will take the participant to obtain employment. The employability assessment and development plan must be completed in consultation with the participant, must assess the participant's assets, barriers, and strengths, and must identify steps necessary to overcome barriers to employment. A copy of the employability development plan must be provided to the registrant;
- (3) referral to available accredited remedial or skills training programs designed to address participant's barriers to employment;
- (4) referral to available programs that provide subsidized or unsubsidized employment as necessary;
- (5) a job search program, including job seeking skills training; and
- (6) other activities, to the extent of available resources designed by the county agency to prepare the participant for permanent employment.

In order to allow time for job search, the county agency may not require an individual to participate in the SNAP employment and training program for more than 32 hours a week. The county agency shall require an individual to spend at least eight hours a week in job search or other SNAP employment and training program activities.

(b) The county agency shall prepare an annual plan for the operation of its SNAP employment and training program. The plan must be submitted to and approved by the commissioner of employment and economic development. The plan must include:

- (1) a description of the services to be offered by the county agency;
- (2) a plan to coordinate the activities of all public entities providing employment-related services in order to avoid duplication of effort and to provide services more efficiently;
- (3) a description of the factors that will be taken into account when determining a client's employability development plan; and
- (4) provisions to ensure that the county agency's employment and training service provider provides each recipient with an orientation, employability assessment, and employability development plan as specified in paragraph (a), clauses (1) and (2), within 30 days of the recipient's eligibility for assistance.

Subd. 2a. **Duties of commissioner.** In addition to any other duties imposed by law, the commissioner shall:

- (1) based on this section and section 256D.052 and Code of Federal Regulations, title 7, section 273.7, supervise the administration of SNAP employment and training services to county agencies;
- (2) disburse money appropriated for SNAP employment and training services to county agencies based upon the county's costs as specified in section 256D.051, subdivision 6c;
- (3) accept and supervise the disbursement of any funds that may be provided by the federal government or from other sources for use in this state for SNAP employment and training services;
- (4) cooperate with other agencies including any agency of the United States or of another state in all matters concerning the powers and duties of the commissioner under this section and section 256D.052; and
- (5) in cooperation with the commissioner of employment and economic development, ensure that each component of an employment and training program carried out under this section is delivered through a statewide workforce development system, unless the component is not available locally through such a system.

Subd. 3. **Participant duties.** In order to receive SNAP assistance, a registrant shall: (1) cooperate with the county agency in all aspects of the SNAP employment and training program; (2) accept any suitable employment, including employment offered through the Job Training Partnership Act, and other employment and training options; and (3) participate in SNAP employment and training

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activities assigned by the county agency. The county agency may terminate assistance to a registrant who fails to cooperate in the SNAP employment and training program, as provided in subdivision 1a.

Subd. 3a. Requirement to register work. (a) To the extent required under Code of Federal Regulations, title 7, section 273.7(a), each applicant for and recipient of SNAP benefits is required to register for work as a condition of eligibility for SNAP benefits. Applicants and recipients are registered by signing an application or annual reapplication for SNAP benefits, and must be informed that they are registering for work by signing the form.

(b) The commissioner shall determine, within federal requirements, persons required to participate in the SNAP employment and training program.

(c) The following SNAP benefit recipients are exempt from mandatory participation in SNAP employment and training services:

(1) recipients of benefits under the Minnesota family investment program, Minnesota supplemental aid program, or the general assistance program;

(2) a child;

(3) a recipient over age 55;

(4) a recipient who has a mental or physical illness, injury, or incapacity which is expected to continue for at least 30 days and which impairs the recipient's ability to obtain or retain employment as evidenced by professional certification or the receipt of temporary or permanent disability benefits issued by a private or government source;

(5) a parent or other household member responsible for the care of either a dependent child in the household who is under age six or a person in the household who is professionally certified as having a physical or mental illness, injury, or incapacity. Only one parent or other household member may claim exemption under this provision;

(6) a recipient receiving unemployment insurance or who has applied for unemployment insurance and has been required to register for work with the Department of Employment and Economic Development as part of the unemployment insurance application process;

(7) a recipient participating each week in a drug addiction or alcohol abuse treatment and rehabilitation program, provided the operators of the treatment and rehabilitation program, in consultation with the county agency, recommend that the recipient not participate in the SNAP employment and training program;

(8) a recipient employed or self-employed for 30 or more hours per week at employment paying at least minimum wage, or who earns wages from employment equal to or exceeding 30 hours multiplied by the federal minimum wage; or

(9) a student enrolled at least half time in any school, training program, or institution of higher education. When determining if a student meets this criteria, the school's, program's or institution's criteria for being enrolled half time shall be used.

Subd. 3b. Orientation. The county agency or its employment and training service provider must provide an orientation to SNAP employment and training services to each nonexempt SNAP benefit recipient within 30 days of the date that SNAP eligibility is determined. The orientation must inform the participant of the requirement to participate in services, the date, time, and address to report to for services, the name and telephone number of the SNAP employment and training service provider, the consequences for failure without good cause to comply, the services and support services available through SNAP employment and training services and other providers of similar services, and must encourage the participant to view the SNAP benefits program as a temporary means of supplementing the family's food needs until the family achieves self-sufficiency through employment. The orientation may be provided through audio-visual methods, but the participant must have the opportunity for face-to-face interaction with county agency staff.

Subd. 6b. Federal reimbursement. (a) Federal financial participation from the United States Department of Agriculture for SNAP employment and training expenditures that are eligible for reimbursement through the SNAP employment and training program are dedicated funds and are annually appropriated to the commissioner of human services for the operation of the SNAP employment and training program.

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(b) The appropriation must be used for skill attainment through employment, training, and support services for SNAP participants.

(c) Federal financial participation for the nonstate portion of SNAP employment and training costs must be paid to the county agency or service provider that incurred the costs.

Subd. 6c. **Program funding.** Within the limits of available resources, the commissioner shall reimburse the actual costs of county agencies and their employment and training service providers for the provision of SNAP employment and training services, including participant support services, direct program services, and program administrative activities. The cost of services for each county's SNAP employment and training program shall not exceed the annual allocated amount. No more than 15 percent of program funds may be used for administrative activities. The county agency may expend county funds in excess of the limits of this subdivision without state reimbursement.

Program funds shall be allocated based on the county's average number of SNAP eligible cases as compared to the statewide total number of such cases. The average number of cases shall be based on counts of cases as of March 31, June 30, September 30, and December 31 of the previous calendar year. The commissioner may reallocate unexpended money appropriated under this section to those county agencies that demonstrate a need for additional funds.

Subd. 7. **Registrant status.** A registrant under this section is not an employee for the purposes of workers' compensation, unemployment benefits, retirement, or civil service laws, and shall not perform work ordinarily performed by a regular public employee.

Subd. 8. **Voluntary quit.** A person who is required to participate in SNAP employment and training services is not eligible for SNAP benefits if, without good cause, the person refuses a legitimate offer of, or quits, suitable employment within 60 days before the date of application. A person who is required to participate in SNAP employment and training services and, without good cause, voluntarily quits suitable employment or refuses a legitimate offer of suitable employment while receiving SNAP benefits shall be terminated from the SNAP program as specified in subdivision 1a.

Subd. 9. **Subcontractors.** A county agency may, at its option, subcontract any or all of the duties under this section to a public or private entity approved by the commissioner of employment and economic development.

Subd. 18. **Work experience placements.** (a) To the extent of available resources, each county agency must establish and operate a work experience component in the SNAP employment and training program for recipients who are subject to a federal limit of three months of SNAP eligibility in any 36-month period. The purpose of the work experience component is to enhance the participant's employability, self-sufficiency, and to provide meaningful, productive work activities.

(b) The commissioner shall assist counties in the design and implementation of these components. The commissioner must ensure that job placements under a work experience component comply with section 256J.72. Written or oral concurrence with job duties of persons placed under the community work experience program shall be obtained from the appropriate exclusive bargaining representative.

(c) Worksites developed under this section are limited to projects that serve a useful public service such as health, social service, environmental protection, education, urban and rural development and redevelopment, welfare, recreation, public facilities, public safety, community service, services to aged citizens or citizens with a disability, and child care. To the extent possible, the prior training, skills, and experience of a recipient must be used in making appropriate work experience assignments.

(d) Structured, supervised volunteer work with an agency or organization that is monitored by the county service provider may, with the approval of the county agency, be used as a work experience placement.

(e) As a condition of placing a person receiving SNAP benefits in a program under this subdivision, the county agency shall first provide the recipient the opportunity:

(1) for placement in suitable subsidized or unsubsidized employment through participation in job search under section 256D.051; or

(2) for placement in suitable employment through participation in on-the-job training, if such employment is available.

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(f) The county agency shall limit the maximum monthly number of hours that any participant may work in a work experience placement to a number equal to the amount of the family's monthly SNAP benefit allotment divided by the greater of the federal minimum wage or the applicable state minimum wage.

After a participant has been assigned to a position for nine months, the participant may not continue in that assignment unless the maximum number of hours a participant works is no greater than the amount of the SNAP benefit divided by the rate of pay for individuals employed in the same or similar occupations by the same employer at the same site.

(g) The participant's employability development plan must include the length of time needed in the work experience program, the need to continue job seeking activities while participating in work experience, and the participant's employment goals.

(h) After each six months of a recipient's participation in a work experience job placement, and at the conclusion of each work experience assignment under this section, the county agency shall reassess and revise, as appropriate, the participant's employability development plan.

(i) A participant has good cause for failure to cooperate with a work experience job placement if, in the judgment of the employment and training service provider, the reason for failure is reasonable and justified. Good cause for purposes of this section is defined in subdivision 1a, paragraph (b).

(j) A recipient who has failed without good cause to participate in or comply with the work experience job placement shall be terminated from participation in work experience job activities. If the recipient is not exempt from mandatory SNAP employment and training program participation under subdivision 3a, the recipient will be assigned to other mandatory program activities. If the recipient is exempt from mandatory participation but is participating as a volunteer, the person shall be terminated from the SNAP employment and training program.

256D.052 LITERACY TRAINING FOR RECIPIENTS.

Subd. 3. **Participant literacy transportation costs.** Within the limits of the state appropriation the county agency must provide transportation to enable Supplemental Nutrition Assistance Program (SNAP) employment and training participants to participate in literacy training under this section. The state shall reimburse county agencies for the costs of providing transportation under this section up to the amount of the state appropriation. Counties must make every effort to ensure that child care is available as needed by recipients who are pursuing literacy training.

256J.21 INCOME LIMITATIONS.

Subdivision 1. **Income inclusions.** To determine MFIP eligibility, the county agency must evaluate income received by members of an assistance unit, or by other persons whose income is considered available to the assistance unit, and only count income that is available to the member of the assistance unit. Income is available if the individual has legal access to the income. All payments, unless specifically excluded in subdivision 2, must be counted as income. The county agency shall verify the income of all MFIP recipients and applicants.

Subd. 2. **Income exclusions.** The following must be excluded in determining a family's available income:

(1) payments for basic care, difficulty of care, and clothing allowances received for providing family foster care to children or adults under Minnesota Rules, parts 9555.5050 to 9555.6265, 9560.0521, and 9560.0650 to 9560.0654, payments for family foster care for children under section 260C.4411 or chapter 256N, and payments received and used for care and maintenance of a third-party beneficiary who is not a household member;

(2) reimbursements for employment training received through the Workforce Investment Act of 1998, United States Code, title 20, chapter 73, section 9201;

(3) reimbursement for out-of-pocket expenses incurred while performing volunteer services, jury duty, employment, or informal carpooling arrangements directly related to employment;

(4) all educational assistance, except the county agency must count graduate student teaching assistantships, fellowships, and other similar paid work as earned income and, after allowing deductions for any unmet and necessary educational expenses, shall count scholarships or grants awarded to graduate students that do not require teaching or research as unearned income;

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- (5) loans, regardless of purpose, from public or private lending institutions, governmental lending institutions, or governmental agencies;
- (6) loans from private individuals, regardless of purpose, provided an applicant or participant documents that the lender expects repayment;
- (7)(i) state income tax refunds; and
- (ii) federal income tax refunds;
- (8)(i) federal earned income credits;
- (ii) Minnesota working family credits;
- (iii) state homeowners and renters credits under chapter 290A; and
- (iv) federal or state tax rebates;
- (9) funds received for reimbursement, replacement, or rebate of personal or real property when these payments are made by public agencies, awarded by a court, solicited through public appeal, or made as a grant by a federal agency, state or local government, or disaster assistance organizations, subsequent to a presidential declaration of disaster;
- (10) the portion of an insurance settlement that is used to pay medical, funeral, and burial expenses, or to repair or replace insured property;
- (11) reimbursements for medical expenses that cannot be paid by medical assistance;
- (12) payments by a vocational rehabilitation program administered by the state under chapter 268A, except those payments that are for current living expenses;
- (13) in-kind income, including any payments directly made by a third party to a provider of goods and services;
- (14) assistance payments to correct underpayments, but only for the month in which the payment is received;
- (15) payments for short-term emergency needs under section 256J.626, subdivision 2;
- (16) funeral and cemetery payments as provided by section 256.935;
- (17) nonrecurring cash gifts of \$30 or less, not exceeding \$30 per participant in a calendar month;
- (18) any form of energy assistance payment made through Public Law 97-35, Low-Income Home Energy Assistance Act of 1981, payments made directly to energy providers by other public and private agencies, and any form of credit or rebate payment issued by energy providers;
- (19) Supplemental Security Income (SSI), including retroactive SSI payments and other income of an SSI recipient;
- (20) Minnesota supplemental aid, including retroactive payments;
- (21) proceeds from the sale of real or personal property;
- (22) adoption or kinship assistance payments under chapter 256N or 259A and Minnesota permanency demonstration title IV-E waiver payments;
- (23) state-funded family subsidy program payments made under section 252.32 to help families care for children with developmental disabilities, consumer support grant funds under section 256.476, and resources and services for a disabled household member under one of the home and community-based waiver services programs under chapter 256B;
- (24) interest payments and dividends from property that is not excluded from and that does not exceed the asset limit;
- (25) rent rebates;
- (26) income earned by a minor caregiver, minor child through age 6, or a minor child who is at least a half-time student in an approved elementary or secondary education program;
- (27) income earned by a caregiver under age 20 who is at least a half-time student in an approved elementary or secondary education program;

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- (28) MFIP child care payments under section 119B.05;
- (29) all other payments made through MFIP to support a caregiver's pursuit of greater economic stability;
- (30) income a participant receives related to shared living expenses;
- (31) reverse mortgages;
- (32) benefits provided by the Child Nutrition Act of 1966, United States Code, title 42, chapter 13A, sections 1771 to 1790;
- (33) benefits provided by the women, infants, and children (WIC) nutrition program, United States Code, title 42, chapter 13A, section 1786;
- (34) benefits from the National School Lunch Act, United States Code, title 42, chapter 13, sections 1751 to 1769e;
- (35) relocation assistance for displaced persons under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, United States Code, title 42, chapter 61, subchapter II, section 4636, or the National Housing Act, United States Code, title 12, chapter 13, sections 1701 to 1750jj;
- (36) benefits from the Trade Act of 1974, United States Code, title 19, chapter 12, part 2, sections 2271 to 2322;
- (37) war reparations payments to Japanese Americans and Aleuts under United States Code, title 50, sections 1989 to 1989d;
- (38) payments to veterans or their dependents as a result of legal settlements regarding Agent Orange or other chemical exposure under Public Law 101-239, section 10405, paragraph (a)(2)(E);
- (39) income that is otherwise specifically excluded from MFIP consideration in federal law, state law, or federal regulation;
- (40) security and utility deposit refunds;
- (41) American Indian tribal land settlements excluded under Public Laws 98-123, 98-124, and 99-377 to the Mississippi Band Chippewa Indians of White Earth, Leech Lake, and Mille Lacs reservations and payments to members of the White Earth Band, under United States Code, title 25, chapter 9, section 331, and chapter 16, section 1407;
- (42) all income of the minor parent's parents and stepparents when determining the grant for the minor parent in households that include a minor parent living with parents or stepparents on MFIP with other children;
- (43) income of the minor parent's parents and stepparents equal to 200 percent of the federal poverty guideline for a family size not including the minor parent and the minor parent's child in households that include a minor parent living with parents or stepparents not on MFIP when determining the grant for the minor parent. The remainder of income is deemed as specified in section 256J.37, subdivision 1b;
- (44) payments made to children eligible for relative custody assistance under section 257.85;
- (45) vendor payments for goods and services made on behalf of a client unless the client has the option of receiving the payment in cash;
- (46) the principal portion of a contract for deed payment;
- (47) cash payments to individuals enrolled for full-time service as a volunteer under AmeriCorps programs including AmeriCorps VISTA, AmeriCorps State, AmeriCorps National, and AmeriCorps NCCC;
- (48) housing assistance grants under section 256J.35, paragraph (a); and
- (49) child support payments of up to \$100 for an assistance unit with one child and up to \$200 for an assistance unit with two or more children.

256S.20 CUSTOMIZED LIVING SERVICES; POLICY.

Subd. 2. **Customized living services requirements.** Customized living services and 24-hour customized living services may only be provided in a building that is registered as a housing with services establishment under chapter 144D.

259A.70 REIMBURSEMENT OF NONRECURRING ADOPTION EXPENSES.

(a) The commissioner of human services shall provide reimbursement to an adoptive parent for costs incurred in an adoption of a child with special needs according to section 259A.10, subdivision 2. Reimbursement shall be made for expenses that are reasonable and necessary for the adoption to occur, subject to a maximum of \$2,000. The expenses must directly relate to the legal adoption of the child, must not be incurred in violation of state or federal law, and must not have been reimbursed from other sources or funds.

(b) Children who have special needs but are not citizens or residents of the United States and were either adopted in another country or brought to this country for the purposes of adoption are categorically ineligible for this reimbursement program, except if the child meets the eligibility criteria after the dissolution of the international adoption.

(c) An adoptive parent, in consultation with the responsible child-placing agency, may request reimbursement of nonrecurring adoption expenses by submitting a complete application, according to the requirements and procedures and on forms prescribed by the commissioner.

(d) The commissioner shall determine the child's eligibility for adoption expense reimbursement under title IV-E of the Social Security Act, United States Code, title 42, sections 670 to 676. If determined eligible, the commissioner of human services shall sign the agreement for nonrecurring adoption expense reimbursement, making this a fully executed agreement. To be eligible, the agreement must be fully executed prior to the child's adoption finalization.

(e) An adoptive parent who has an adoption assistance agreement under section 259A.15, subdivision 2, is not required to make a separate application for reimbursement of nonrecurring adoption expenses for the child who is the subject of that agreement.

(f) If determined eligible, the adoptive parent shall submit reimbursement requests within 21 months of the date of the child's adoption decree, and according to requirements and procedures prescribed by the commissioner.

Laws 2019, First Special Session chapter 9, article 5, section 90

Sec. 90. DAY TRAINING AND HABILITATION DISABILITY WAIVER RATE SYSTEM TRANSITION GRANTS.

(a) The commissioner of human services shall establish annual grants to day training and habilitation providers that are projected to experience a funding gap upon the full implementation of Minnesota Statutes, section 256B.4914.

(b) In order to be eligible for a grant under this section, a day training and habilitation disability waiver provider must:

(1) serve at least 100 waiver service participants;

(2) be projected to receive a reduction in annual revenue from medical assistance for day services during the first year of full implementation of disability waiver rate system framework rates under Minnesota Statutes, section 256B.4914, of at least 15 percent and at least \$300,000 compared to the annual medical assistance revenue for day services the provider received during the last full year during which banded rates under Minnesota Statutes, section 256B.4913, subdivision 4a, were effective; and

(3) agree to develop, submit, and implement a sustainability plan as provided in paragraph

(c) A recipient of a grant under this section must develop a sustainability plan in partnership with the commissioner of human services. The sustainability plan must include:

(1) a review of all the provider's costs and an assessment of whether the provider is implementing available cost-control options appropriately;

(2) a review of all the provider's revenue and an assessment of whether the provider is leveraging available resources appropriately; and

(3) a practical strategy for closing the funding gap described in paragraph (b), clause (2).

(d) The commissioner of human services shall provide technical assistance and financial management advice to grant recipients as they develop and implement their sustainability plans.

(e) In order to be eligible for an annual grant renewal, a grant recipient must demonstrate to the commissioner of human services that it made a good faith effort to close the revenue gap described in paragraph (b), clause (2).

Laws 2020, First Special Session chapter 7, section 1, subdivision 2, as amended by Laws 2020, Third Special Session chapter 1, section 3;

Section 1. COMMISSIONER OF HUMAN SERVICES; EXTENSION OF COVID-19 HUMAN SERVICES PROGRAM WAIVERS AND MODIFICATIONS.

Subd. 2. **Waivers and modifications; extension to June 30, 2021.** When the peacetime emergency declared by the governor in response to the COVID-19 outbreak expires, is terminated, or is rescinded by the proper authority, the following waivers and modifications to human services programs issued by the commissioner of human services pursuant to Executive Orders 20-11 and 20-12, including any amendments to the waivers or modifications issued before the peacetime emergency expires, shall remain in effect until June 30, 2021, unless necessary federal approval is not received at any time for a waiver or modification:

(1) CV15: allowing phone or video visits for waiver programs;

(2) CV16: expanding access to telemedicine services for Children's Health Insurance Program, Medical Assistance, and MinnesotaCare enrollees;

(3) CV21: allowing telemedicine alternative for school-linked mental health services and intermediate school district mental health services;

(4) CV24: allowing phone or video use for targeted case management visits;

(5) CV30: expanding telemedicine in health care, mental health, and substance use disorder settings;

(6) CV31: allowing partial waiver of county cost when COVID-19 delays discharges from DHS-operated psychiatric hospitals;

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(7) CV38: allowing flexibility in housing licensing requirements;

(8) CV43: expanding remote home and community-based services waiver services;

(9) CV44: allowing remote delivery of adult day services;

(10) CV45: modifying certain licensing requirements for substance use disorder treatment, except that the extension shall be limited to the portions of this modification requiring programs to become and remain familiar with Minnesota Department of Health and Centers for Disease Control and Prevention guidance on COVID-19; requiring programs to follow Minnesota Department of Health and Centers for Disease Control and Prevention guidance specific to the situation and program capabilities if a person receiving services or a staff person tests positive for COVID-19; permitting programs to temporarily suspend group counseling or limit attendance at sessions when unable to accommodate requirements for social distancing and community mitigation; permitting comprehensive assessments to be completed by telephone or video communication; permitting a counselor, recovery peer, or treatment coordinator to provide treatment services from their home by telephone or video communication to a client in their home; permitting programs to follow the Substance Abuse and Mental Health Services Administration guidelines as directed by the State Opioid Treatment Authority within the Department of Human Services Behavioral Health division to allow for an increased number of take-home doses in accordance with an assessment conducted under Minnesota Statutes, section 245G.22, subdivision 6; removing the requirement for opioid treatment programs to conduct outreach activities in the community; and permitting programs to document a client's verbal approval of a treatment plan instead of requiring the client's signature;

(11) CV49: modifying certain license requirements for adult day services;

(12) CV50: modifying certain requirements for early intensive developmental and behavioral intervention (EIDBI) services;

(13) CV53: allowing flexibility for personal care assistance service oversight, except that the portion of this modification permitting personal care assistance workers to bill 310 hours per month shall expire upon the expiration of the peacetime emergency; ~~and~~

(14) CV64: modifying certain certification requirements for mental health centers, except that the extension shall be limited to the portions of this modification requiring programs to become and remain familiar with Minnesota Department of Health and Centers for Disease Control and Prevention guidance on COVID-19; requiring programs to follow Minnesota Department of Health and Centers for Disease Control and Prevention guidance specific to the situation and program capabilities if a person receiving services or a staff person tests positive for COVID-19; permitting alternative mental health professional supervision of clinical services at satellite locations; permitting an alternative process for case consultation meetings; and permitting mental health professionals to provide required client-specific supervisory contact by telephone or video communication instead of face-to-face supervision; and

(15) CV03: suspending application requirements for economic assistance programs, except that the extension shall be limited to the portions of this modification allowing remote interviews for the Minnesota family investment program, and allowing the use of electronic signatures for enrollment verification. Verbal signatures shall not be permitted for enrollment verification.

Laws 2021, chapter 30, article 17, section 71

Sec. 71. Minnesota Statutes 2020, section 256B.0625, subdivision 3b, is amended to read:

Subd. 3b. **Telemedicine services.** (a) Medical assistance covers medically necessary services and consultations delivered by a licensed health care provider via telemedicine in the same manner as if the service or consultation was delivered in person. Coverage is limited to three telemedicine services per enrollee per calendar week, except as provided in paragraph (f). Telemedicine services shall be paid at the full allowable rate.

(b) The commissioner shall establish criteria that a health care provider must attest to in order to demonstrate the safety or efficacy of delivering a particular service via telemedicine. The attestation may include that the health care provider:

(1) has identified the categories or types of services the health care provider will provide via telemedicine;

(2) has written policies and procedures specific to telemedicine services that are regularly reviewed and updated;

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(3) has policies and procedures that adequately address patient safety before, during, and after the telemedicine service is rendered;

(4) has established protocols addressing how and when to discontinue telemedicine services; and

(5) has an established quality assurance process related to telemedicine services.

(c) As a condition of payment, a licensed health care provider must document each occurrence of a health service provided by telemedicine to a medical assistance enrollee. Health care service records for services provided by telemedicine must meet the requirements set forth in Minnesota Rules, part 9505.2175, subparts 1 and 2, and must document:

(1) the type of service provided by telemedicine;

(2) the time the service began and the time the service ended, including an a.m. and p.m. designation;

(3) the licensed health care provider's basis for determining that telemedicine is an appropriate and effective means for delivering the service to the enrollee;

(4) the mode of transmission of the telemedicine service and records evidencing that a particular mode of transmission was utilized;

(5) the location of the originating site and the distant site;

(6) if the claim for payment is based on a physician's telemedicine consultation with another physician, the written opinion from the consulting physician providing the telemedicine consultation; and

(7) compliance with the criteria attested to by the health care provider in accordance with paragraph (b).

(d) For purposes of this subdivision, unless otherwise covered under this chapter, "telemedicine" is defined as the delivery of health care services or consultations while the patient is at an originating site and the licensed health care provider is at a distant site. A communication between licensed health care providers, or a licensed health care provider and a patient that consists solely of a telephone conversation, e-mail, or facsimile transmission does not constitute telemedicine consultations or services. Telemedicine may be provided by means of real-time two-way, interactive audio and visual communications, including the application of secure video conferencing or store-and-forward technology to provide or support health care delivery, which facilitate the assessment, diagnosis, consultation, treatment, education, and care management of a patient's health care.

(e) For purposes of this section, "licensed health care provider" means a licensed health care provider under section 62A.671, subdivision 6, a community paramedic as defined under section 144E.001, subdivision 5f, ~~or a clinical trainee who is qualified according to section 245I.04, subdivision 6, a mental health practitioner defined under section 245.462, subdivision 17, or 245.4871, subdivision 26, working under the general supervision of a mental health professional qualified according to section 245I.04, subdivision 4, and a community health worker who meets the criteria under subdivision 49, paragraph (a);~~ "health care provider" is defined under section 62A.671, subdivision 3; and "originating site" is defined under section 62A.671, subdivision 7.

(f) The limit on coverage of three telemedicine services per enrollee per calendar week does not apply if:

(1) the telemedicine services provided by the licensed health care provider are for the treatment and control of tuberculosis; and

(2) the services are provided in a manner consistent with the recommendations and best practices specified by the Centers for Disease Control and Prevention and the commissioner of health.

9505.0275 EARLY AND PERIODIC SCREENING, DIAGNOSIS, AND TREATMENT.

Subpart 1. **Definition.** "Early and periodic screening, diagnosis, and treatment service" means a service provided to a recipient under age 21 to identify a potentially disabling condition and to provide diagnosis and treatment for a condition identified according to the requirements of the Code of Federal Regulations, title 42, section 441.55 and parts 9505.1693 to 9505.1748.

Subp. 2. **Duties of provider.** The provider shall sign a provider agreement stating that the provider will provide screening services according to standards in parts 9505.1693 to 9505.1748 and Code of Federal Regulations, title 42, sections 441.50 to 441.62.

9505.1693 SCOPE AND PURPOSE.

Parts 9505.1693 to 9505.1748 govern the early and periodic screening, diagnosis, and treatment (EPSDT) program.

Parts 9505.1693 to 9505.1748 must be read in conjunction with section 1905(a)(4)(B) of the Social Security Act, as amended through December 31, 1981, and the Code of Federal Regulations, title 42, part 441, subpart B, as amended through October 1, 1987, and section 6403 of the Omnibus Budget Reconciliation Act of 1989. The purpose of the EPSDT program is to identify potentially disabling conditions in children eligible for medical assistance, to provide diagnosis and treatment for conditions identified, and to encourage parents and their children to use health care services when necessary.

9505.1696 DEFINITIONS.

Subpart 1. **Applicability.** As used in parts 9505.1693 to 9505.1748, the following terms have the meanings given them.

Subp. 2. **Child.** "Child" means a person who is eligible for early and periodic screening, diagnosis, and treatment under part 9505.1699.

Subp. 3. **Community health clinic.** "Community health clinic" means a clinic that provides services by or under the supervision of a physician and that:

- A. is incorporated as a nonprofit corporation under Minnesota Statutes, chapter 317A;
- B. is exempt from federal income tax under Internal Revenue Code of 1986, section 501(c)(3), as amended through December 31, 1987;
- C. is established to provide health services to low-income population groups; and
- D. has written clinic policies describing the services provided by the clinic and concerning (1) the medical management of health problems, including problems that require referral to physicians, (2) emergency health services, and (3) the maintenance and review of health records by the physician.

Subp. 4. **Department.** "Department" means the Minnesota Department of Human Services.

Subp. 5. **Diagnosis.** "Diagnosis" means the identification and determination of the nature or cause of a disease or abnormality through the use of a health history; physical, developmental, and psychological examination; and laboratory tests.

Subp. 6. **Early and periodic screening clinic or EPS clinic.** "Early and periodic screening clinic" or "EPS clinic" means an individual or facility that is approved by the Minnesota Department of Health under parts 4615.0900 to 4615.2000.

Subp. 7. **Early and periodic screening, diagnosis, and treatment program or EPSDT program.** "Early and periodic screening, diagnosis, and treatment program" or "EPSDT program" means the program that provides screening, diagnosis, and treatment

under parts 9505.1693 to 9505.1748; Code of Federal Regulations, title 42, section 441.55, as amended through October 1, 1986; and Minnesota Statutes, section 256B.02, subdivision 8, paragraph (12).

Subp. 8. **EPSDT clinic.** "EPSDT clinic" means a facility supervised by a physician that provides screening according to parts 9505.1693 to 9505.1748 or an EPS clinic.

Subp. 9. **EPSDT provider agreement.** "EPSDT provider agreement" means the agreement required by part 9505.1703, subpart 2.

Subp. 11. **Follow-up.** "Follow-up" means efforts by a local agency to ensure that a screening requested for a child is provided to that child and that diagnosis and treatment indicated as necessary by a screening are also provided to that child.

Subp. 12. **Head Start agency.** "Head Start agency" refers to the child development program administered by the United States Department of Health and Human Services, Office of Administration for Children, Youth and Families.

Subp. 13. **Local agency.** "Local agency" means the county welfare board, multicounty welfare board, or human service agency established in Minnesota Statutes, section 256B.02, subdivision 6, and Minnesota Statutes, chapter 393.

Subp. 14. **Medical assistance.** "Medical assistance" means the program authorized by title XIX of the Social Security Act and Minnesota Statutes, chapters 256 and 256B.

Subp. 15. **Outreach.** "Outreach" means efforts by the department or a local agency to inform eligible persons about early and periodic screening, diagnosis, and treatment or to encourage persons to use the EPSDT program.

Subp. 16. **Parent.** "Parent" refers to the genetic or adoptive parent of a child.

Subp. 17. **Physician.** "Physician" means a person who is licensed to provide health services within the scope of the person's profession under Minnesota Statutes, chapter 147.

Subp. 18. **Prepaid health plan.** "Prepaid health plan" means a health insurer licensed and operating under Minnesota Statutes, chapters 60A, 62A, and 62C, and a health maintenance organization licensed and operating under Minnesota Statutes, chapter 62D to provide health services to recipients of medical assistance entitlements.

Subp. 19. **Public health nursing service.** "Public health nursing service" means the nursing program provided by a community health board under Minnesota Statutes, section 145A.04, subdivisions 1 and 1a.

Subp. 20. **Screening.** "Screening" means the use of quick, simple procedures to separate apparently well children from those who need further examination for possible physical, developmental, or psychological problems.

Subp. 21. **Skilled professional medical personnel and supporting staff.** "Skilled professional medical personnel" and "supporting staff" means persons as defined by Code of Federal Regulations, title 42, section 432.2, as amended through October 1, 1987.

Subp. 22. **Treatment.** "Treatment" means the prevention, correction, or amelioration of a disease or abnormality identified by screening or diagnosis.

9505.1699 ELIGIBILITY TO BE SCREENED.

A person under age 21 who is eligible for medical assistance is eligible for the EPSDT program.

9505.1701 CHOICE OF PROVIDER.

Subpart 1. **Choice of screening provider.** Except as provided by subpart 3, a child or parent of a child who requests screening may choose any screening provider who has signed an EPSDT provider agreement and a medical assistance provider agreement.

Subp. 2. **Choice of diagnosis and treatment provider.** Except as provided by subpart 3, a child or parent of a child may choose any diagnosis and treatment provider as provided by part 9505.0190.

Subp. 3. **Exception to subparts 1 and 2.** A child who is enrolled in a prepaid health plan must receive screening, diagnosis, and treatment from that plan.

9505.1703 ELIGIBILITY TO PROVIDE SCREENING.

Subpart 1. **Providers.** An EPSDT clinic or a community health clinic shall be approved for medical assistance reimbursement for EPSDT services if it complies with the requirements of parts 9505.1693 to 9505.1748. A Head Start agency shall be approved as provided by subpart 2.

Subp. 2. **EPSDT provider agreement.** To be eligible to provide screening and receive reimbursement under the EPSDT program, an individual or facility must sign an EPSDT provider agreement provided by the department and a medical assistance provider agreement under part 9505.0195 or be a prepaid health plan.

Subp. 3. **Terms of EPSDT provider agreement.** The EPSDT provider agreement required by subpart 2 must state that the provider must:

- A. screen children according to parts 9505.1693 to 9505.1748;
- B. report all findings of the screenings on EPSDT screening forms; and
- C. refer children for diagnosis and treatment if a referral is indicated by the screening.

The EPSDT provider agreement also must state that the department will provide training according to part 9505.1712 and will train and consult with the provider on billing and reporting procedures.

9505.1706 REIMBURSEMENT.

Subpart 1. **Maximum payment rates.** Payment rates shall be as provided by part 9505.0445, item M.

Subp. 2. **Eligibility for reimbursement; Head Start agency.** A Head Start agency may complete all the screening components under part 9505.1718, subparts 2 to 14 or those components that have not been completed by another provider within the six months before completion of the screening components by the Head Start agency. A Head Start agency that completes the previously incomplete screening components must document on the EPSDT screening form that the other screening components of part 9505.1718, subparts 2 to 14, have been completed by another provider.

The department shall reimburse a Head Start agency for those screening components of part 9505.1718, subparts 2 to 14, that the Head Start agency has provided. The amount of reimbursement must be the same as a Head Start agency's usual and customary cost for each screening component or the maximum fee determined under subpart 1, whichever is lower.

Subp. 3. **Prepaid health plan.** A prepaid health plan is not eligible for a separate payment for screening. The early and periodic screening, diagnosis, and treatment screening must be a service included within the prepaid capitation rate specified in its contract with the department.

9505.1712 TRAINING.

The department must train the staff of an EPSDT clinic that is supervised by a physician on how to comply with the procedures required by part 9505.1718 if the EPSDT clinic requests the training.

9505.1715 COMPLIANCE WITH SURVEILLANCE AND UTILIZATION REVIEW.

A screening provider must comply with the surveillance and utilization review requirements of parts 9505.2160 to 9505.2245.

9505.1718 SCREENING STANDARDS FOR AN EPSDT CLINIC.

Subpart 1. **Requirement.** An early and periodic screening, diagnosis, and treatment screening must meet the requirements of subparts 2 to 15 except as provided by part 9505.1706, subpart 2.

Subp. 2. **Health and developmental history.** A history of a child's health and development must be obtained from the child, parent of the child, or an adult who is familiar with the child's health history. The history must include information on sexual development, lead and tuberculosis exposure, nutrition intake, chemical abuse, and social, emotional, and mental health status.

Subp. 3. **Assessment of physical growth.** The child's height or length and the child's weight must be measured and the results plotted on a growth grid based on data from the National Center for Health Statistics (NCHS). The head circumference of a child up to 36 months of age or a child whose growth in head circumference appears to deviate from the expected circumference for that child must be measured and plotted on an NCHS-based growth grid.

Subp. 4. **Physical examination.** The following must be checked according to accepted medical procedures: pulse; respiration; blood pressure; head; eyes; ears; nose; mouth; pharynx; neck; chest; heart; lungs; abdomen; spine; genitals; extremities; joints; muscle tone; skin; and neurological condition.

Subp. 5. **Vision.** A child must be checked for a family history of maternal and neonatal infection and ocular abnormalities. A child must be observed for pupillary reflex; the presence of nystagmus; and muscle balance, which includes an examination for esotropia, exotropia, phorias, and extraocular movements. The external parts of a child's eyes must be examined including the lids, conjunctiva, cornea, iris, and pupils. A child or parent of the child must be asked whether he or she has concerns about the child's vision.

Subp. 6. **Vision of a child age three or older.** In addition to the requirements of subpart 5, the visual acuity of a child age three years or older must be checked by use of the Screening Test for Young Children and Retardates (STYCAR) or the Snellen Alphabet Chart.

Subp. 7. **Hearing.** A child must be checked for a family history of hearing disability or loss, delay of language acquisition or history of such delay, the ability to determine the direction of a sound, and a history of repeated otitis media during early life. A child or parent of the child must be asked whether he or she has any concerns regarding the child's hearing.

Subp. 8. **Hearing of a child age three or older.** In addition to the requirements of subpart 7, a child age three or older must receive a pure tone audiometric test or referral for the test if the examination under subpart 7 indicates the test is needed.

Subp. 9. **Development.** A child must be screened for the following according to the screening provider's standard procedures: fine and gross motor development, speech and language development, social development, cognitive development, and self-help skills. Standardized tests that are used in screening must be culturally sensitive and have norms for the age range tested, written procedures for administration and for scoring and interpretation that are statistically reliable and valid. The provider must use a combination of the child's health and developmental history and standardized test or clinical judgment to determine the child's developmental status or need for further assessment.

Subp. 10. **Sexual development.** A child must be evaluated to determine whether the child's sexual development is consistent with the child's chronological age. A female must receive a breast examination and pelvic examination when indicated. A male must receive

a testicular examination when indicated. If it is in the best interest of a child, counseling on normal sexual development, information on birth control and sexually transmitted diseases, and prescriptions and tests must be offered to a child. If it is in the best interest of a child, a screening provider may refer the child to other resources for counseling or a pelvic examination.

Subp. 11. **Nutrition.** When the assessment of a child's physical growth performed according to subpart 3 indicates a nutritional risk condition, the child must be referred for further assessment, receive nutritional counseling, or be referred to a nutrition program such as the Special Supplemental Food Program for Women, Infants, and Children; food stamps or food support; Expanded Food and Nutrition Education Program; or Head Start.

Subp. 12. **Immunizations.** The immunization status of a child must be compared to the "Recommended Schedule for Active Immunization of Normal Infants and Children," current edition. Immunizations that the comparison shows are needed must be offered to the child and given to the child if the child or parent of the child accepts the offer. The "Recommended Schedule for Active Immunization of Normal Infants and Children," current edition, is developed and distributed by the Minnesota Department of Health, 717 Delaware Street Southeast, Minneapolis, Minnesota 55440. The "Recommended Schedule for Active Immunization of Normal Infants and Children," current edition, is incorporated by reference and is available at the State Law Library, Judicial Center, 25 Rev. Dr. Martin Luther King Jr. Blvd., Saint Paul, Minnesota 55155. It is subject to frequent change.

Subp. 13. **Laboratory tests.** Laboratory tests must be done according to items A to F.

A. A Mantoux test must be administered yearly to a child whose health history indicates ongoing exposure to tuberculosis, unless the child has previously tested positive. A child who tests positive must be referred for diagnosis and treatment.

B. A child aged one to five years must initially be screened for lead through the use of either an erythrocyte protoporphyrin (EP) test or a direct blood lead screening test until December 31, 1992. Beginning January 1, 1993, a child age one to five must initially be screened using a direct blood lead screening test. Either capillary or venous blood may be used as the specimen for the direct blood lead test. Blood tests must be performed at a minimum of once at 12 months of age and once at 24 months of age or whenever the history indicates that there are risk factors for lead poisoning. When the result of the EP or capillary blood test is greater than the maximum allowable level set by the Centers for Disease Control of the United States Public Health Service, the child must be referred for a venous blood lead test. A child with a venous blood lead level greater than the maximum allowable level set by the Centers for Disease Control must be referred for diagnosis and treatment.

C. The urine of a child must be tested for the presence of glucose, ketones, protein, and other abnormalities. A female at or near the age of four and a female at or near the age of ten must be tested for bacteriuria.

D. Either a microhematocrit determination or a hemoglobin concentration test for anemia must be done.

E. A test for sickle cell or other hemoglobinopathy, or abnormal blood conditions must be offered to a child who is at risk of such abnormalities and who has not yet been tested. These tests must be provided if accepted or requested by the child or parent of the child. If the tests identify a hemoglobin abnormality or other abnormal blood condition, the child must be referred for genetic counseling.

F. Other laboratory tests such as those for cervical cancer, sexually transmitted diseases, pregnancy, and parasites must be performed when indicated by a child's medical or family history.

Subp. 14. **Oral examination.** An oral examination of a child's mouth must be performed to detect deterioration of hard tissue, and inflammation or swelling of soft tissue.

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Counseling about the systemic use of fluoride must be given to a child when fluoride is not available through the community water supply or school programs.

Subp. 14a. **Health education and health counseling.** Health education and health counseling concerning the child's health must be offered to the child who is being screened and to the child's parent or representative. The health education and health counseling are for the purposes of assisting the child or the parent or representative of the child to understand the expected growth and development of the child and of informing the child or the parent or representative of the child about the benefits of healthy lifestyles and about practices to promote accident and disease prevention.

Subp. 15. **Schedule of age related screening standards.** An early and periodic screening, diagnosis, and treatment screening for a child at a specific age must include, at a minimum, the screening requirements of subparts 2 to 14 as provided by the following schedule:

Schedule of age related screening standards

A. Infancy:

Standards	Ages					
	By 1 month	2 months	4 months	6 months	9 months	12 months
Health History	X	X	X	X	X	X
Assessment of Physical Growth:						
Height	X	X	X	X	X	X
Weight	X	X	X	X	X	X
Head Circumference	X	X	X	X	X	X
Physical Examination	X	X	X	X	X	X
Vision	X	X	X	X	X	X
Hearing	X	X	X	X	X	X
Development	X	X	X	X	X	X
Health Education/Counseling	X	X	X	X	X	X
Sexual Development	X	X	X	X	X	X
Nutrition	X	X	X	X	X	X
Immunizations/Review		X	X	X	X	X
Laboratory Tests:						
Tuberculin				if history indicates		
Lead Absorption				if history indicates		
Urinalysis	←	←	←	X	←	←
Hematocrit or Hemoglobin	←	←	←	←	X	X
Sickle Cell				at parent's or child's request		
Other Laboratory Tests				as indicated		

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Oral Examination X X X X X X

X = Procedure to be completed.

← = Procedure to be completed if not done at the previous visit, or on the first visit.

B. Early Childhood:

Standards	Ages				
	15 months	18 months	24 months	3 years	4 years
Health History	X	X	X	X	X
Assessment of Physical Growth:					
Height	X	X	X	X	X
Weight	X	X	X	X	X
Head Circumference	X	X	X	X	X
Physical Examination	X	X	X	X	X
Vision	X	X	X	X	X
Hearing	X	X	X	X	X
Blood Pressure				X	X
Development	X	X	X	X	X
Health Education/Counseling	X	X	X	X	X
Sexual Development	X	X	X	X	X
Nutrition	X	X	X	X	X
Immunizations/Review	X	X	X	X	X

Laboratory Tests:

Tuberculin				if history indicates	
Lead Absorption				X	
Urinalysis	←	←	X	←	←
Bacteriuria (females)					X
Hematocrit or Hemoglobin	←	←	←	←	←
Sickle Cell				at parent's or child's request	
Other Laboratory Tests				as indicated	
Oral Examination	X	X	X	X	X

X = Procedure to be completed.

← = Procedure to be completed if not done at the previous visit, or on the first visit.

C. Late childhood:

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Standards	Ages				
	5 years	6 years	8 years	10 years	12 years
Health History	X	X	X	X	X
Assessment of Physical Growth:					
Height	X	X	X	X	X
Weight	X	X	X	X	X
Physical Examination	X	X	X	X	X
Vision	X	X	X	X	X
Hearing	X	X	X	X	X
Blood Pressure	X	X	X	X	X
Development	X	X	X	X	X
Health Education/Counseling	X	X	X	X	X
Sexual Development	X	X	X	X	X
Nutrition	X	X	X	X	X
Immunizations/Review	X	X	X	X	X
Laboratory Tests:					
Tuberculin			if history indicates		
Lead Absorption			if history indicates		
Urinalysis	←	←	X	←	←
Bacteriuria (females)	←	←	X	←	←
Hemoglobin or Hematocrit	←	←	X	←	
Sickle Cell			at parent's or child's request		
Other Laboratory Tests			as indicated		
Oral Examination	X	X	X	X	X

X = Procedure to be completed.

← = Procedure to be completed if not done at the previous visit, or on the first visit.

D. Adolescence:

Standards	Ages			
	14 years	16 years	18 years	20 years
Health History	X	X	X	X
Assessment of Physical Growth:				
Height	X	X	X	X

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Weight	X	X	X	X
Physical Examination	X	X	X	X
Vision	X	X	X	X
Hearing	X	X	X	X
Blood Pressure	X	X	X	X
Development	X	X	X	X
Health Education/Counseling	X	X	X	X
Sexual Development	X	X	X	X
Nutrition	X	X	X	X
Immunizations/Review	X	X	X	X
Laboratory Tests:				
Tuberculin				if history indicates
Lead Absorption				if history indicates
Urinalysis	←		X	
Bacteriuria (females)	←		←	
Hemoglobin or Hematocrit	←		X	
Sickle Cell				at parent's or child's request
Other Laboratory Tests				as indicated
Oral Examination	X		X	

X = Procedure to be completed.

← = Procedure to be completed if not done at the previous visit, or on the first visit.

Subp. 15a. **Additional screenings.** A child may have a partial or complete screening between the ages specified in the schedule under subpart 15 if the screening is medically necessary or a concern develops about the child's health or development.

9505.1724 PROVISION OF DIAGNOSIS AND TREATMENT.

Diagnosis and treatment identified as needed under part 9505.1718 shall be eligible for medical assistance payment subject to the provisions of parts 9505.0170 to 9505.0475.

9505.1727 INFORMING.

A local agency must inform each child or parent of a child about the EPSDT program no later than 60 days after the date the child is determined to be eligible for medical assistance. The information about the EPSDT program must be given orally and in writing, indicate the purpose and benefits of the EPSDT program, indicate that the EPSDT program is without cost to the child or parent of the child while the child is eligible for medical assistance, state the types of medical and dental services available under the EPSDT program, and state that the transportation and appointment scheduling assistance required under part 9505.1730 is available.

The department must send a written notice to a child or parent of a child who has been screened informing the child or parent that the child should be screened again. This notice

must be sent at the following ages of the child: six months, nine months, one year, 18 months, two years, four years, and every three years after age four.

Each year, on the date the child was determined eligible for medical assistance entitlements, the department must send a written notice to a child or parent of a child who has never been screened informing the child or parent that the child is eligible to be screened.

9505.1730 ASSISTANCE WITH OBTAINING A SCREENING.

Within ten working days of receiving a request for screening from a child or parent of a child, a local agency must give or mail to the child or parent of the child:

- A. a written list of EPSDT clinics in the area in which the child lives; and
- B. a written offer of help in making a screening appointment and in transporting the child to the site of the screening.

If the child or parent of the child requests help, the local agency must provide it.

Transportation under this item must be provided according to part 9505.0140, subpart 1.

9505.1733 ASSISTANCE WITH OBTAINING DIAGNOSIS AND TREATMENT.

An EPSDT clinic must notify a child or parent of a child who is referred for diagnosis and treatment that the local agency will provide names and addresses of diagnosis and treatment providers and will help with appointment scheduling and transportation to the diagnosis and treatment provider. The notice must be on a form provided by the department and must be given to the child or parent of the child on the day the child is screened.

If a child or parent of a child asks a local agency for assistance with obtaining diagnosis and treatment, the local agency must provide that assistance within ten working days of the date of the request.

9505.1736 SPECIAL NOTIFICATION REQUIREMENT.

A local agency must effectively inform an individual who is blind or deaf, or who cannot read or understand the English language, about the EPSDT program.

9505.1739 CHILDREN IN FOSTER CARE.

Subpart 1. **Dependent or neglected state wards.** The local agency must provide early and periodic screening, diagnosis, and treatment services for a child in foster care who is a dependent or neglected state ward under parts 9560.0410 to 9560.0470, and who is eligible for medical assistance unless the early and periodic screening, diagnosis, and treatment services are not in the best interest of the child.

Subp. 2. **Other children in foster care.** The local agency must discuss the EPSDT program with a parent of a child in foster care who is under the legal custody or protective supervision of the local agency or whose parent has entered into a voluntary placement agreement with the local agency. The local agency must help the parent decide whether to accept early and periodic screening, diagnosis, and treatment services for the child. If a parent cannot be consulted, the local agency must decide whether to accept early and periodic screening, diagnosis, and treatment services for the child and must document the reasons for the decision.

Subp. 3. **Assistance with appointment scheduling and transportation.** The local agency must help a child in foster care with appointment scheduling and transportation for screening, diagnosis, and treatment as provided by parts 9505.1730 to 9505.1733.

Subp. 4. **Notification.** The department must send a written notice to the local agency stating that a child in foster care who has been screened should be screened again. This

notice must be sent at the following ages of the child: six months, nine months, one year, 18 months, two years, four years, and every three years thereafter.

Each year, by the anniversary of the date the child was determined eligible for medical assistance entitlements, the department must send a written notice to the local agency that a child in foster care who has never been screened is eligible to be screened.

If a written notice under this subpart pertains to a child who is a dependent or neglected state ward, the local agency must proceed according to subpart 1. The local agency must proceed according to subpart 2 if the written notice pertains to a child who is not a dependent or neglected state ward.

9505.1742 DOCUMENTATION.

The local agency must document compliance with parts 9505.1693 to 9505.1748 on forms provided by the department.

9505.1745 INTERAGENCY COORDINATION.

The local agency must coordinate the EPSDT program with other programs that provide health services to children as provided by Code of Federal Regulations, title 42, section 441.61(c), as amended through October 1, 1986. Examples of such agencies are a public health nursing service, a Head Start agency, and a school district.

9505.1748 CONTRACTS FOR ADMINISTRATIVE SERVICES.

Subpart 1. **Authority.** A local agency may contract with a county public health nursing service, a community health clinic, a Head Start agency, a community action agency, or a school district for early and periodic screening, diagnosis, and treatment administrative services. Early and periodic screening, diagnosis, and treatment administrative services include outreach; notification; appointment scheduling and transportation; follow-up; and documentation. For purposes of this subpart, "community action agency" means an entity defined in Minnesota Statutes, section 256E.31, subdivision 1, and "school district" means a school district as defined in Minnesota Statutes, section 120A.05, subdivisions 5, 10, and 14.

Subp. 2. **Federal financial participation.** The percent of federal financial participation for salaries, fringe benefits, and travel of skilled professional medical personnel and their supporting staff shall be paid as provided by Code of Federal Regulations, title 42, section 433.15(b)(5), as amended through October 1, 1986.

Subp. 3. **State reimbursement.** State reimbursement for contracts for EPSDT administrative services under this part shall be as provided by Minnesota Statutes, section 256B.19, subdivision 1, except for the provisions under subdivision 1 that pertain to a prepaid health plan.

Subp. 4. **Approval.** A contract for administrative services must be approved by the local agency and submitted to the department for approval by November 1 of the year before the beginning of the calendar year in which the contract will be effective. A contract must contain items A to L to be approved by the department for reimbursement:

- A. names of the contracting parties;
- B. purpose of the contract;
- C. beginning and ending dates of the contract;
- D. amount of the contract, budget breakdown, and a clause that stipulates that the department's procedures for certifying expenditures will be followed by the local agency;
- E. the method by which the contract may be amended or terminated;
- F. a clause that stipulates that the contract will be renegotiated if federal or state program regulations or federal financial reimbursement regulations change;

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G. a clause that stipulates that the contracting parties will provide program and fiscal records and maintain all nonpublic data required by the contract according to the Minnesota Government Data Practices Act and will cooperate with state and federal program reviews;

H. a description of the services contracted for and the agency that will perform them;

I. methods by which the local agency will monitor and evaluate the contract;

J. signatures of the representatives of the contracting parties with the authority to obligate the parties by contract and dates of those signatures;

K. a clause that stipulates that the services provided under contract must be performed by or under the supervision of skilled medical personnel; and

L. a clause that stipulates that the contracting parties will comply with state and federal requirements for the receipt of medical assistance funds.