85.16	ARTICLE 6
85.17	MISCELLANEOUS
85.18	Section 1. Minnesota Statutes 2022, section 254A.03, subdivision 1, is amended to read:
85.19 85.20 85.21 85.22 85.23	Subdivision 1. Alcohol and Other Drug Abuse Section. There is hereby created an Alcohol and Other Drug Abuse Section in the Department of Human Services. This section shall be headed by a director. The commissioner may place the director's position in the unclassified service if the position meets the criteria established in section 43A.08, subdivision 1a. The section shall:
85.24 85.25 85.26	(1) conduct and foster basic research relating to the cause, prevention and methods of diagnosis, treatment and recovery of persons with substance misuse and substance use disorder;
85.27 85.28	(2) coordinate and review all activities and programs of all the various state departments as they relate to problems associated with substance misuse and substance use disorder;
86.1 86.2 86.3	(3) develop, demonstrate, and disseminate new methods and techniques for prevention, early intervention, treatment and recovery support for substance misuse and substance use disorder;
86.4 86.5 86.6 86.7 86.8 86.9 86.10 86.11 86.12 86.13 86.14 86.15	(4) gather facts and information about substance misuse and substance use disorder, and about the efficiency and effectiveness of prevention, treatment, and recovery support services from all comprehensive programs, including programs approved or licensed by the commissioner of human services or the commissioner of health or accredited by the Joint Commission on Accreditation of Hospitals. The state authority is authorized to require information from comprehensive programs which is reasonable and necessary to fulfill these duties. When required information has been previously furnished to a state or local governmental agency, the state authority shall collect the information from the governmental agency. The state authority shall disseminate facts and summary information about problems associated with substance misuse and substance use disorder to public and private agencies, local governments, local and regional planning agencies, and the courts for guidance to and assistance in prevention, treatment and recovery support;
86.16 86.17	(5) inform and educate the general public on substance misuse and substance use disorder;(6) serve as the state authority concerning substance misuse and substance use disorder
86.17 86.18 86.19 86.20 86.21 86.22	by monitoring the conduct of diagnosis and referral services, research and comprehensive programs. The state authority shall submit a biennial report to the governor and the legislature containing a description of public services delivery and recommendations concerning increase of coordination and quality of services, and decrease of service duplication and cost;
86.23 86.24	(7) establish a state plan which shall set forth goals and priorities for a comprehensive continuum of care for substance misuse and substance use disorder for Minnesota. All state

83.21	ARTICLE 7
83.22	MISCELLANEOUS
83.23	Section 1. Minnesota Statutes 2022, section 254A.03, subdivision 1, is amended to read:
83.24 83.25 83.26 83.27 83.28	Subdivision 1. Alcohol and Other Drug Abuse Section. There is hereby created an Alcohol and Other Drug Abuse Section in the Department of Human Services. This section shall be headed by a director. The commissioner may place the director's position in the unclassified service if the position meets the criteria established in section 43A.08, subdivision 1a. The section shall:
84.1 84.2 84.3	(1) conduct and foster basic research relating to the cause, prevention and methods of diagnosis, treatment and recovery of persons with substance misuse and substance use disorder;
84.4 84.5	(2) coordinate and review all activities and programs of all the various state departments as they relate to problems associated with substance misuse and substance use disorder;
84.6 84.7 84.8	(3) develop, demonstrate, and disseminate new methods and techniques for prevention, early intervention, treatment and recovery support for substance misuse and substance use disorder;
84.9 84.10 84.11 84.12 84.13 84.14 84.15 84.16 84.17 84.18 84.19 84.20	(4) gather facts and information about substance misuse and substance use disorder, and about the efficiency and effectiveness of prevention, treatment, and recovery support services from all comprehensive programs, including programs approved or licensed by the commissioner of human services or the commissioner of health or accredited by the Joint Commission on Accreditation of Hospitals. The state authority is authorized to require information from comprehensive programs which is reasonable and necessary to fulfill these duties. When required information has been previously furnished to a state or local governmental agency, the state authority shall collect the information from the governmental agency. The state authority shall disseminate facts and summary information about problems associated with substance misuse and substance use disorder to public and private agencies, local governments, local and regional planning agencies, and the courts for guidance to and assistance in prevention, treatment and recovery support;
84.21	(5) inform and educate the general public on substance misuse and substance use disorder;
84.22 84.23 84.24 84.25 84.26 84.27	(6) serve as the state authority concerning substance misuse and substance use disorder by monitoring the conduct of diagnosis and referral services, research and comprehensive programs. The state authority shall submit a biennial report to the governor and the legislature containing a description of public services delivery and recommendations concerning increase of coordination and quality of services, and decrease of service duplication and cost;

(7) establish a state plan which shall set forth goals and priorities for a comprehensive continuum of care for substance misuse and substance use disorder for Minnesota. All state

84.28

- agencies operating substance misuse or substance use disorder programs or administering state or federal funds for such programs shall annually set their program goals and priorities in accordance with the state plan. Each state agency shall annually submit its plans and budgets to the state authority for review. The state authority shall certify whether proposed services comply with the comprehensive state plan and advise each state agency of review 86.30 findings; (8) make contracts with and grants to public and private agencies and organizations, both profit and nonprofit, and individuals, using federal funds, and state funds as authorized to pay for costs of state administration, including evaluation, statewide programs and services, research and demonstration projects, and American Indian programs;
- 87.1 (9) receive and administer money available for substance misuse and substance use disorder programs under the alcohol, drug abuse, and mental health services block grant, United States Code, title 42, sections 300X to 300X-9;
- 87.4 (10) solicit and accept any gift of money or property for purposes of Laws 1973, chapter 572, and any grant of money, services, or property from the federal government, the state, any political subdivision thereof, or any private source;
 - (11) with respect to substance misuse and substance use disorder programs serving the American Indian community, establish guidelines for the employment of personnel with considerable practical experience in substance misuse and substance use disorder, and understanding of social and cultural problems related to substance misuse and substance use disorder, in the American Indian community.
- Sec. 2. Minnesota Statutes 2023 Supplement, section 256B.4914, subdivision 10, is amended to read: 87.13
- Subd. 10. Evaluation of information and data. (a) The commissioner shall, within 87.14 available resources, conduct research and gather data and information from existing state systems or other outside sources on the following items:
 - (1) differences in the underlying cost to provide services and care across the state;
- 87.18 (2) mileage, vehicle type, lift requirements, incidents of individual and shared rides, and units of transportation for all day services, which must be collected from providers using the rate management worksheet and entered into the rates management system; and
- 87.21 (3) the distinct underlying costs for services provided by a license holder under sections 245D.05, 245D.06, 245D.07, 245D.071, 245D.081, and 245D.09, and for services provided by a license holder certified under section 245D.33.
- (b) The commissioner, in consultation with stakeholders, shall review and evaluate the 87.24 following values already in subdivisions 6 to 9, or issues that impact all services, including, but not limited to:
- (1) values for transportation rates; 87.27

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4.31	state of federal funds for such programs shall annually set their program goals and priorities
4.32	in accordance with the state plan. Each state agency shall annually submit its plans and
4.33	budgets to the state authority for review. The state authority shall certify whether proposed
5.1	services comply with the comprehensive state plan and advise each state agency of review
5.2	findings;
5.3	(8) make contracts with and grants to public and private agencies and organizations.

- both profit and nonprofit, and individuals, using federal funds, and state funds as authorized to pay for costs of state administration, including evaluation, statewide programs and services, research and demonstration projects, and American Indian programs;
- 85.7 (9) receive and administer money available for substance misuse and substance use disorder programs under the alcohol, drug abuse, and mental health services block grant, United States Code, title 42, sections 300X to 300X-9;
- 85.10 (10) solicit and accept any gift of money or property for purposes of Laws 1973, chapter 572, and any grant of money, services, or property from the federal government, the state, any political subdivision thereof, or any private source;
- (11) with respect to substance misuse and substance use disorder programs serving the 85.13 American Indian community, establish guidelines for the employment of personnel with considerable practical experience in substance misuse and substance use disorder, and understanding of social and cultural problems related to substance misuse and substance use disorder, in the American Indian community.
- Sec. 2. Minnesota Statutes 2023 Supplement, section 256B.4914, subdivision 10, is 85.19 amended to read:
- Subd. 10. Evaluation of information and data. (a) The commissioner shall, within 85.20 available resources, conduct research and gather data and information from existing state systems or other outside sources on the following items:
- (1) differences in the underlying cost to provide services and care across the state; 85.23
- 85.24 (2) mileage, vehicle type, lift requirements, incidents of individual and shared rides, and units of transportation for all day services, which must be collected from providers using the rate management worksheet and entered into the rates management system; and
- 85.27 (3) the distinct underlying costs for services provided by a license holder under sections 245D.05, 245D.06, 245D.07, 245D.071, 245D.081, and 245D.09, and for services provided by a license holder certified under section 245D.33.
- (b) The commissioner, in consultation with stakeholders, shall review and evaluate the 85.30 following values already in subdivisions 6 to 9, or issues that impact all services, including, but not limited to: 85.32
- (1) values for transportation rates; 86.1

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87.28	(2) values for services where monitoring technology replaces staff time;
87.29	(3) values for indirect services;
87.30	(4) values for nursing;
88.1 88.2	(5) values for the facility use rate in day services, and the weightings used in the day service ratios and adjustments to those weightings;
88.3	(6) values for workers' compensation as part of employee-related expenses;
88.4	(7) values for unemployment insurance as part of employee-related expenses;
88.5	(8) direct care workforce labor market measures;
88.6 88.7	(9) any changes in state or federal law with a direct impact on the underlying cost of providing home and community-based services;
88.8 88.9	(10) outcome measures, determined by the commissioner, for home and community-bases services rates determined under this section; and
88.10 88.11	(11) different competitive workforce factors by service, as determined under subdivision $10b$.
88.12 88.13 88.14 88.15	(e) The commissioner shall report to the chairs and the ranking minority members of the legislative committees and divisions with jurisdiction over health and human services policy and finance with the information and data gathered under paragraphs (a) and (b) on January 15, 2021, with a full report, and a full report once every four years thereafter.
88.16 88.17 88.18 88.19	(d) (c) Beginning July 1, 2022, the commissioner shall renew analysis and implement changes to the regional adjustment factors once every six years. Prior to implementation, the commissioner shall consult with stakeholders on the methodology to calculate the adjustment.
88.20 88.21	Sec. 3. Minnesota Statutes 2023 Supplement, section 256B.4914, subdivision 10a, is amended to read:
88.22 88.23 88.24 88.25 88.26 88.27 88.28	Subd. 10a. Reporting and analysis of cost data. (a) The commissioner must ensure that wage values and component values in subdivisions 5 to 9 reflect the cost to provide the service. As determined by the commissioner, in consultation with stakeholders identified in subdivision 17, a provider enrolled to provide services with rates determined under this section must submit requested cost data to the commissioner to support research on the cost of providing services that have rates determined by the disability waiver rates system. Requested cost data may include, but is not limited to:
88.29	(1) worker wage costs;
88.30	(2) benefits paid;
88.31	(3) supervisor wage costs;

86.2	(2) values for services where monitoring technology replaces staff time;
86.3	(3) values for indirect services;
86.4	(4) values for nursing;
86.5 86.6	(5) values for the facility use rate in day services, and the weightings used in the day service ratios and adjustments to those weightings;
86.7	(6) values for workers' compensation as part of employee-related expenses;
86.8	(7) values for unemployment insurance as part of employee-related expenses;
86.9	(8) direct care workforce labor market measures;
86.10 86.11	(9) any changes in state or federal law with a direct impact on the underlying cost of providing home and community-based services;
86.12 86.13	(10) outcome measures, determined by the commissioner, for home and community-based services rates determined under this section; and
86.14 86.15	(11) different competitive workforce factors by service, as determined under subdivision 10b.
86.16 86.17 86.18 86.19	(e) The commissioner shall report to the chairs and the ranking minority members of the legislative committees and divisions with jurisdiction over health and human services policy and finance with the information and data gathered under paragraphs (a) and (b) on January 15, 2021, with a full report, and a full report once every four years thereafter.
86.20 86.21 86.22 86.23	(d) (c) Beginning July 1, 2022, the commissioner shall renew analysis and implement changes to the regional adjustment factors once every six years. Prior to implementation, the commissioner shall consult with stakeholders on the methodology to calculate the adjustment.
86.24 86.25	Sec. 3. Minnesota Statutes 2023 Supplement, section 256B.4914, subdivision 10a, is amended to read:
86.26 86.27 86.28 86.29 86.30 87.1 87.2	Subd. 10a. Reporting and analysis of cost data. (a) The commissioner must ensure that wage values and component values in subdivisions 5 to 9 reflect the cost to provide the service. As determined by the commissioner, in consultation with stakeholders identified in subdivision 17, a provider enrolled to provide services with rates determined under this section must submit requested cost data to the commissioner to support research on the cost of providing services that have rates determined by the disability waiver rates system. Requested cost data may include, but is not limited to:
87.3	(1) worker wage costs;
87.4	(2) benefits paid;
87.5	(3) supervisor wage costs;

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89.1	(4) executive wage costs;
89.2	(5) vacation, sick, and training time paid;
89.3	(6) taxes, workers' compensation, and unemployment insurance costs paid;
89.4	(7) administrative costs paid;
89.5	(8) program costs paid;
89.6	(9) transportation costs paid;
89.7	(10) vacancy rates; and
89.8 89.9	(11) other data relating to costs required to provide services requested by the commissioner.
89.10 89.11 89.12 89.13 89.14 89.15 89.16 89.17 89.18	(b) At least once in any five-year period, a provider must submit cost data for a fiscal year that ended not more than 18 months prior to the submission date. The commissioner shall provide each provider a 90-day notice prior to its submission due date. If a provider fails to submit required reporting data, the commissioner shall provide notice to providers that have not provided required data 30 days after the required submission date, and a second notice for providers who have not provided required data 60 days after the required submission date. The commissioner shall temporarily suspend payments to the provider if cost data is not received 90 days after the required submission date. Withheld payments shall be made once data is received by the commissioner.
89.19 89.20 89.21	(c) The commissioner shall conduct a random validation of data submitted under paragraph (a) to ensure data accuracy. The commissioner shall analyze cost documentation in paragraph (a) and provide recommendations for adjustments to cost components.
89.22 89.23 89.24 89.25 89.26 89.27 89.28 89.29	(d) The commissioner shall analyze cost data submitted under paragraph (a) and, in consultation with stakeholders identified in subdivision 17, may submit recommendations on component values and inflationary factor adjustments to the chairs and ranking minority members of the legislative committees with jurisdiction over human services once every four years beginning January 1, 2021. The commissioner shall make recommendations in conjunction with reports submitted to the legislature according to subdivision 10, paragraph (c). The commissioner shall release cost data in an aggregate form. Cost data from individual providers must not be released except as provided for in current law.
89.30 89.31 89.32 90.1 90.2	(e) The commissioner shall use data collected in paragraph (a) to determine the compliance with requirements identified under subdivision 10d. The commissioner shall identify providers who have not met the thresholds identified under subdivision 10d on the Department of Human Services website for the year for which the providers reported their costs.

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87.6	(4) executive wage costs;
87.7	(5) vacation, sick, and training time paid;
87.8	(6) taxes, workers' compensation, and unemployment insurance costs paid;
87.9	(7) administrative costs paid;
87.10	(8) program costs paid;
87.11	(9) transportation costs paid;
87.12	(10) vacancy rates; and
87.13 87.14	(11) other data relating to costs required to provide services requested by the commissioner.
87.15 87.16 87.17 87.18 87.19 87.20 87.21 87.22 87.23	(b) At least once in any five-year period, a provider must submit cost data for a fiscal year that ended not more than 18 months prior to the submission date. The commissioner shall provide each provider a 90-day notice prior to its submission due date. If a provider fails to submit required reporting data, the commissioner shall provide notice to providers that have not provided required data 30 days after the required submission date, and a second notice for providers who have not provided required data 60 days after the required submission date. The commissioner shall temporarily suspend payments to the provider if cost data is not received 90 days after the required submission date. Withheld payments shall be made once data is received by the commissioner.
87.24 87.25 87.26	(c) The commissioner shall conduct a random validation of data submitted under paragraph (a) to ensure data accuracy. The commissioner shall analyze cost documentation in paragraph (a) and provide recommendations for adjustments to cost components.

- d) The commissioner shall analyze cost data submitted under paragraph (a) and, in tation with stakeholders identified in subdivision 17, may submit recommendations apponent values and inflationary factor adjustments to the chairs and ranking minority ers of the legislative committees with jurisdiction over human services once every cars beginning January 1, 2021. The commissioner shall make recommendations in netion with reports submitted to the legislature according to subdivision 10, paragraph ne commissioner shall release cost data in an aggregate form. Cost data from individual ers must not be released except as provided for in current law.
- (e) The commissioner shall use data collected in paragraph (a) to determine the compliance with requirements identified under subdivision 10d. The commissioner shall identify providers who have not met the thresholds identified under subdivision 10d on the Department of Human Services website for the year for which the providers reported their costs.

commissioner under section 402A.18;

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0.3	Sec. 4. Minnesota Statutes 2022, section 256B.69, subdivision 5k, is amended to read:	88.9	Sec. 4. Minnesota Statutes 2022, section 256B.69, subdivision 5k, is amended to read:
0.4 0.5 0.6	Subd. 5k. Actuarial soundness. (a) Rates paid to managed care plans and county-based purchasing plans shall satisfy requirements for actuarial soundness. In order to comply with this subdivision, the rates must:		Subd. 5k. Actuarial soundness. (a) Rates paid to managed care plans and county-based purchasing plans shall satisfy requirements for actuarial soundness. In order to comply with this subdivision, the rates must:
0.7	(1) be neither inadequate nor excessive;	88.13	(1) be neither inadequate nor excessive;
0.8	(2) satisfy federal requirements;	88.14	(2) satisfy federal requirements;
0.9 0.10 0.11	(3) in the case of contracts with incentive arrangements, not exceed 105 percent of the approved capitation payments attributable to the enrollees or services covered by the incentive arrangement;		(3) in the case of contracts with incentive arrangements, not exceed 105 percent of the approved capitation payments attributable to the enrollees or services covered by the incentive arrangement;
0.12	(4) be developed in accordance with generally accepted actuarial principles and practices;	88.18	(4) be developed in accordance with generally accepted actuarial principles and practices;
0.13 0.14	(5) be appropriate for the populations to be covered and the services to be furnished under the contract; and	88.19 88.20	(5) be appropriate for the populations to be covered and the services to be furnished under the contract; and
0.15 0.16 0.17	(6) be certified as meeting the requirements of federal regulations by actuaries who meet the qualification standards established by the American Academy of Actuaries and follow the practice standards established by the Actuarial Standards Board.		(6) be certified as meeting the requirements of federal regulations by actuaries who meet the qualification standards established by the American Academy of Actuaries and follow the practice standards established by the Actuarial Standards Board.
0.18 0.19 0.20 0.21	(b) Each year within 30 days of the establishment of plan rates the commissioner shall report to the chairs and ranking minority members of the senate Health and Human Services Budget Division and the house of representatives Health Care and Human Services Finance Division to certify how each of these conditions have been met by the new payment rates.	88.26	(b) Each year within 30 days of the establishment of plan rates the commissioner shall report to the chairs and ranking minority members of the senate Health and Human Services Budget Division and the house of representatives Health Care and Human Services Finance Division to certify how each of these conditions have been met by the new payment rates.
0.22	Sec. 5. Minnesota Statutes 2022, section 402A.16, subdivision 2, is amended to read:	88.28	Sec. 5. Minnesota Statutes 2022, section 402A.16, subdivision 2, is amended to read:
0.23	Subd. 2. Duties. The Human Services Performance Council shall:	88.29	Subd. 2. Duties. The Human Services Performance Council shall:
0.24 0.25	(1) hold meetings at least quarterly that are in compliance with Minnesota's Open Meeting Law under chapter 13D;	88.30 88.31	(1) hold meetings at least quarterly that are in compliance with Minnesota's Open Meeting Law under chapter 13D;
0.26 0.27	(2) annually review the annual performance data submitted by counties or service delivery authorities;	89.1 89.2	(2) annually review the annual performance data submitted by counties or service delivery authorities;
0.28 0.29 0.30	(3) review and advise the commissioner on department procedures related to the implementation of the performance management system and system process requirements and on barriers to process improvement in human services delivery;		(3) review and advise the commissioner on department procedures related to the implementation of the performance management system and system process requirements and on barriers to process improvement in human services delivery;
1.1 1.2	(4) advise the commissioner on the training and technical assistance needs of county or service delivery authority and department personnel;	89.6 89.7	(4) advise the commissioner on the training and technical assistance needs of county or service delivery authority and department personnel;
1.3 1.4	(5) review instances in which a county or service delivery authority has not made adequate progress on a performance improvement plan and make recommendations to the	89.8 89.9	(5) review instances in which a county or service delivery authority has not made adequate progress on a performance improvement plan and make recommendations to the

89.10 commissioner under section 402A.18;

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1.6 1.7	(6) consider appeals from counties or service delivery authorities that are in the remedies process and make recommendations to the commissioner on resolving the issue;
1.8 1.9 1.10 1.11	(7) convene working groups to update and develop outcomes, measures, and performance thresholds for the performance management system and, on an annual basis, present these recommendations to the commissioner, including recommendations on when a particular essential human services program has a balanced set of program measures in place;
1.12 1.13	(8) make recommendations on human services administrative rules or statutes that could be repealed in order to improve service delivery; <u>and</u>
1.14 1.15	(9) provide information to stakeholders on the council's role and regularly collect stakeholder input on performance management system performance; and.
1.16 1.17	(10) submit an annual report to the legislature and the commissioner, which includes a comprehensive report on the performance of individual counties or service delivery
1.18 1.19	authorities as it relates to system measures; a list of counties or service delivery authorities that have been required to create performance improvement plans and the areas identified
1.20 1.21 1.22	for improvement as part of the remedies process; a summary of performance improvement training and technical assistance activities offered to the county personnel by the department; recommendations on administrative rules or state statutes that could be repealed in order to
1.23 1.24	improve service delivery; recommendations for system improvements, including updates to system outcomes, measures, and thresholds; and a response from the commissioner.
1.25	Sec. 6. REPEALER.
1.26 1.27	Minnesota Statutes 2022, sections 245G.011, subdivision 5; 252.34; and 256.01, subdivision 39, are repealed.
1.4/	subdivision 37, are repeated.

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39.11 39.12	(6) consider appeals from counties or service delivery authorities that are in the remedies process and make recommendations to the commissioner on resolving the issue;
9.13	(7) convene working groups to update and develop outcomes, measures, and performanc
9.14	thresholds for the performance management system and, on an annual basis, present these
39.15	recommendations to the commissioner, including recommendations on when a particular
9.16	essential human services program has a balanced set of program measures in place;
9.17	(8) make recommendations on human services administrative rules or statutes that could
9.18	be repealed in order to improve service delivery; and
9.19	(9) provide information to stakeholders on the council's role and regularly collect
9.20	stakeholder input on performance management system performance; and.
9.21	(10) submit an annual report to the legislature and the commissioner, which includes a
9.22	comprehensive report on the performance of individual counties or service delivery
9.23	authorities as it relates to system measures; a list of counties or service delivery authorities
9.24	that have been required to create performance improvement plans and the areas identified
9.25	for improvement as part of the remedies process; a summary of performance improvement
39.26	training and technical assistance activities offered to the county personnel by the department;
9.27	recommendations on administrative rules or state statutes that could be repealed in order to
9.28	improve service delivery; recommendations for system improvements, including updates
9.29	to system outcomes, measures, and thresholds; and a response from the commissioner.
39.30	Sec. 6. REPEALER.
9.31	Minnesota Statutes 2022, sections 245G.011, subdivision 5; 252.34; 256.01, subdivisions
9 32	39 and 41: 256B 79 subdivision 6: and 256K 45 subdivision 2 are repealed