

1.1 Noor and Schomacker from the Committee on Human Services Finance and Policy to
1.2 which was referred:

1.3 H. F. No. 2115, A bill for an act relating to human services; modifying provisions relating
1.4 to aging and disability services, behavioral health, Direct Care and Treatment, health care
1.5 administration, the Office of the Inspector General, licensing and disqualification, and
1.6 department operations; establishing human services programs criminal penalties; establishing
1.7 the intermediate school district behavioral health grant program; correcting cross-references
1.8 and making conforming and technical changes; amending Minnesota Statutes 2024, sections
1.9 13.46, subdivisions 3, 4; 15.471, subdivision 6; 16A.103, subdivision 1j; 62J.495, subdivision
1.10 2; 62M.17, subdivision 2; 97A.441, subdivision 3; 142B.10, subdivision 14; 142B.30,
1.11 subdivision 1; 142B.51, subdivision 2; 142B.65, subdivision 8; 142B.66, subdivision 3;
1.12 142B.70, subdivision 7; 142C.06, by adding a subdivision; 142C.11, subdivision 8; 142C.12,
1.13 subdivision 1; 142E.51, subdivisions 5, 6; 144.53; 144.651, subdivisions 2, 4, 20, 31, 32;
1.14 144A.07; 146A.08, subdivision 4; 147.091, subdivision 6; 147A.13, subdivision 6; 148.10,
1.15 subdivision 1; 148.261, subdivision 5; 148.754; 148B.5905; 148F.09, subdivision 6; 150A.08,
1.16 subdivision 6; 151.071, subdivision 10; 153.21, subdivision 2; 153B.70; 168.012, subdivision
1.17 1; 244.052, subdivision 4; 245.4871, subdivision 4, by adding a subdivision; 245.4881,
1.18 subdivision 3; 245.50, subdivision 2; 245.91, subdivision 2; 245A.04, subdivisions 1, 7;
1.19 245A.16, subdivision 1; 245A.18, subdivision 1; 245A.242, subdivision 2; 245C.05, by
1.20 adding a subdivision; 245C.08, subdivision 3; 245C.22, subdivision 5; 245D.02, subdivision
1.21 4a; 245G.05, subdivision 1; 245G.06, subdivisions 1, 2a, 3a; 245G.07, subdivision 2;
1.22 245G.08, subdivision 6; 245G.09, subdivision 3; 245G.11, subdivision 11; 245G.18,
1.23 subdivision 2; 245G.19, subdivision 4, by adding a subdivision; 245G.22, subdivisions 1,
1.24 14, 15; 246.585; 246C.06, subdivision 11; 246C.12, subdivision 6; 246C.20; 252.291,
1.25 subdivision 3; 252.43; 252.46, subdivision 1a; 252.50, subdivision 5; 253B.09, subdivision
1.26 3a; 253B.10, subdivision 1; 256.01, subdivisions 2, 5; 256.019, subdivision 1; 256.0281;
1.27 256.0451, subdivisions 1, 3, 6, 8, 9, 18, 22, 23, 24; 256.4825; 256.93, subdivision 1; 256.98,
1.28 subdivisions 1, 7; 256B.0625, subdivision 25c; 256B.092, subdivisions 1a, 10, 11a; 256B.12;
1.29 256B.49, subdivisions 13, 29; 256G.09, subdivisions 4, 5; 299F.77, subdivision 2; 342.04;
1.30 352.91, subdivision 3f; 401.17, subdivision 1; 480.40, subdivision 1; 507.071, subdivision
1.31 1; 611.57, subdivisions 2, 4; 624.7131, subdivisions 1, 2; 624.7132, subdivisions 1, 2;
1.32 624.714, subdivisions 3, 4; 631.40, subdivision 3; proposing coding for new law in Minnesota
1.33 Statutes, chapters 245; 246C; 609; repealing Minnesota Statutes 2024, sections 245.4862;
1.34 245A.11, subdivision 8; 246.015, subdivision 3; 246.50, subdivision 2; 246B.04, subdivision
1.35 1a; Laws 2024, chapter 79, article 1, sections 15; 16; 17.

1.36 Reported the same back with the following amendments:

1.37 Delete everything after the enacting clause and insert:

2.1 "ARTICLE 1

2.2 AGING AND DISABILITY SERVICES

2.3 Section 1. Minnesota Statutes 2024, section 245D.091, subdivision 3, is amended to read:

2.4 Subd. 3. **Positive support analyst qualifications.** (a) A positive support analyst providing
2.5 positive support services as identified in section 245D.03, subdivision 1, paragraph (c),
2.6 clause (1), item (i), must have competencies in one of the following areas as required under
2.7 the brain injury, community access for disability inclusion, community alternative care, and
2.8 developmental disabilities waiver plans or successor plans:

2.9 (1) have obtained a baccalaureate degree, master's degree, or PhD in either a social
2.10 services discipline or nursing;

2.11 (2) meet the qualifications of a mental health practitioner as defined in section 245.462,
2.12 subdivision 17; or

2.13 (3) be a board-certified behavior analyst or board-certified assistant behavior analyst by
2.14 the Behavior Analyst Certification Board, Incorporated.

2.15 (b) In addition, a positive support analyst must:

2.16 (1) either have two years of supervised experience conducting functional behavior
2.17 assessments and designing, implementing, and evaluating effectiveness of positive practices
2.18 behavior support strategies for people who exhibit challenging behaviors as well as
2.19 co-occurring mental disorders and neurocognitive disorder, or for those who have obtained
2.20 a baccalaureate degree in one of the behavioral sciences or related fields, demonstrated
2.21 expertise in positive support services;

2.22 (2) have received training prior to hire or within 90 calendar days of hire that includes:

2.23 (i) ten hours of instruction in functional assessment and functional analysis;

2.24 (ii) 20 hours of instruction in the understanding of the function of behavior;

2.25 (iii) ten hours of instruction on design of positive practices behavior support strategies;

2.26 (iv) 20 hours of instruction preparing written intervention strategies, designing data
2.27 collection protocols, training other staff to implement positive practice strategies,
2.28 summarizing and reporting program evaluation data, analyzing program evaluation data to
2.29 identify design flaws in behavioral interventions or failures in implementation fidelity, and
2.30 recommending enhancements based on evaluation data; and

2.31 (v) eight hours of instruction on principles of person-centered thinking;

3.1 (3) be determined by a positive support professional to have the training and prerequisite
 3.2 skills required to provide positive practice strategies as well as behavior reduction approved
 3.3 and permitted intervention to the person who receives positive support; and

3.4 (4) be under the direct supervision of a positive support professional.

3.5 (c) Meeting the qualifications for a positive support professional under subdivision 2
 3.6 shall substitute for meeting the qualifications listed in paragraph (b).

3.7 Sec. 2. Minnesota Statutes 2024, section 252.43, is amended to read:

3.8 **252.43 COMMISSIONER'S DUTIES.**

3.9 (a) The commissioner shall supervise lead agencies' provision of day services to adults
 3.10 with disabilities. The commissioner shall:

3.11 (1) determine the need for day programs, except for adult day services, under sections
 3.12 256B.4914 and 252.41 to 252.46 operated in a day services facility licensed under sections
 3.13 245D.27 to 245D.31;

3.14 (2) establish payment rates as provided under section 256B.4914;

3.15 (3) adopt rules for the administration and provision of day services under sections
 3.16 245A.01 to 245A.16; 252.28, subdivision 2; or 252.41 to 252.46; or Minnesota Rules, parts
 3.17 9525.1200 to 9525.1330;

3.18 (4) enter into interagency agreements necessary to ensure effective coordination and
 3.19 provision of day services;

3.20 (5) monitor and evaluate the costs and effectiveness of day services; and

3.21 (6) provide information and technical help to lead agencies and vendors in their
 3.22 administration and provision of day services.

3.23 (b) A determination of need in paragraph (a), clause (1), shall not be required for a
 3.24 change in day service provider name or ownership.

3.25 **EFFECTIVE DATE.** This section is effective July 1, 2025.

3.26 Sec. 3. Minnesota Statutes 2024, section 252.46, subdivision 1a, is amended to read:

3.27 Subd. 1a. **Day training and habilitation rates.** (a) The commissioner shall establish a
 3.28 ~~statewide rate-setting methodology~~ rates for all day training and habilitation services as
 3.29 ~~provided under section 256B.4914. The rate-setting methodology must abide by the principles~~
 3.30 ~~of transparency and equitability across the state. The methodology must involve a uniform~~

4.1 ~~process of structuring rates for each service and must promote quality and participant choice~~
 4.2 ~~and for transportation delivered as a part of day training and habilitation services.~~

4.3 (b) The commissioner shall consult with stakeholders prior to modifying rates under
 4.4 this subdivision.

4.5 **EFFECTIVE DATE.** This section is effective January 1, 2026.

4.6 **Sec. 4. [256B.0909] LONG-TERM CARE DECISION REVIEWS.**

4.7 Subdivision 1. **Opportunity to respond required.** The lead agency shall initiate a
 4.8 decision review if requested by a person or a person's legal representative within ten calendar
 4.9 days of receiving an agency notice to deny, reduce, suspend, or terminate the person's access
 4.10 to or eligibility for the following programs:

4.11 (1) home and community-based waivers, including level of care determinations, under
 4.12 sections 256B.092 and 256B.49;

4.13 (2) specific home and community-based services available under sections 256B.092 and
 4.14 256B.49;

4.15 (3) consumer-directed community supports;

4.16 (4) the following state plan services:

4.17 (i) personal care assistance services under section 256B.0625, subdivisions 19a and 19c;

4.18 (ii) consumer support grants under section 256.476; or

4.19 (iii) community first services and supports under section 256B.85;

4.20 (5) semi-independent living services under section 252.275;

4.21 (6) relocation targeted case management services available under section 256B.0621,
 4.22 subdivision 2, clause (4);

4.23 (7) case management services targeted to vulnerable adults or people with developmental
 4.24 disabilities under section 256B.0924;

4.25 (8) case management services targeted to people with developmental disabilities under
 4.26 Minnesota Rules, part 9525.0016; and

4.27 (9) necessary diagnostic information to gain access to or determine eligibility under
 4.28 clauses (5) to (8).

4.29 Subd. 2. **Decision review.** (a) A lead agency must schedule a decision review for any
 4.30 person who responds under subdivision 1 within ten calendar days of the request for review.

5.1 (b) The lead agency must conduct the decision review in a manner that allows an
 5.2 opportunity for interactive communication between the person and a representative of the
 5.3 lead agency who has specific knowledge of the proposed decision and the basis for the
 5.4 decision. The interactive communication must be in a format that is accessible to the recipient,
 5.5 and may include a phone call, a written exchange, an in-person meeting, or another format
 5.6 as chosen by the person or the person's legal representative, if any.

5.7 (c) During the decision review, the representative of the lead agency must provide a
 5.8 thorough explanation of the lead agency's intent to deny, reduce, suspend, or terminate
 5.9 eligibility or access to the services described in subdivision 1 and provide the person or the
 5.10 person's legal representative, if any, an opportunity to ask questions about the decision. If
 5.11 the lead agency's explanation of the decision is based on a misunderstanding of the person's
 5.12 circumstances, incomplete information, missing documentation, or similar missing or
 5.13 inaccurate information, the lead agency must provide the person or the person's legal
 5.14 representative, if any, an opportunity to provide clarifying or additional information.

5.15 (d) A person with a legal representative is not required to participate in the decision
 5.16 review. A person may also have someone of the person's choosing participate in the decision
 5.17 review.

5.18 Subd. 3. **Appeals.** If the lead agency ignores the request for review or does not schedule
 5.19 the review in at least ten calendar days prior to the hearing, the judge must reschedule the
 5.20 hearing to allow for at least ten calendar days between the review and the hearing.

5.21 Sec. 5. Minnesota Statutes 2024, section 256B.092, subdivision 1a, is amended to read:

5.22 Subd. 1a. **Case management services.** (a) Each recipient of a home and community-based
 5.23 waiver shall be provided case management services by qualified vendors as described in
 5.24 the federally approved waiver application.

5.25 (b) Case management service activities provided to or arranged for a person include:

5.26 (1) development of the person-centered support plan under subdivision 1b;

5.27 (2) informing the individual or the individual's legal guardian or conservator, or parent
 5.28 if the person is a minor, of service options, including all service options available under the
 5.29 waiver plan;

5.30 (3) consulting with relevant medical experts or service providers;

5.31 (4) assisting the person in the identification of potential providers of chosen services,
 5.32 including:

- 6.1 (i) providers of services provided in a non-disability-specific setting;
- 6.2 (ii) employment service providers;
- 6.3 (iii) providers of services provided in settings that are not controlled by a provider; and
- 6.4 (iv) providers of financial management services;
- 6.5 (5) assisting the person to access services and assisting in appeals under section 256.045;
- 6.6 (6) coordination of services, if coordination is not provided by another service provider;
- 6.7 (7) evaluation and monitoring of the services identified in the support plan, which must
- 6.8 incorporate at least one annual face-to-face visit by the case manager with each person; and
- 6.9 (8) reviewing support plans and providing the lead agency with recommendations for
- 6.10 service authorization based upon the individual's needs identified in the support plan.

6.11 (c) Case management service activities that are provided to the person with a

6.12 developmental disability shall be provided directly by county agencies or under contract.

6.13 If a county agency contracts for case management services, the county agency must provide

6.14 each recipient of home and community-based services who is receiving contracted case

6.15 management services with the contact information the recipient may use to file a grievance

6.16 with the county agency about the quality of the contracted services the recipient is receiving

6.17 from a county-contracted case manager. If a county agency provides case management

6.18 under contracts with other individuals or agencies and the county agency utilizes a

6.19 competitive proposal process for the procurement of contracted case management services,

6.20 the competitive proposal process must include evaluation criteria to ensure that the county

6.21 maintains a culturally responsive program for case management services adequate to meet

6.22 the needs of the population of the county. For the purposes of this section, "culturally

6.23 responsive program" means a case management services program that: (1) ensures effective,

6.24 equitable, comprehensive, and respectful quality care services that are responsive to

6.25 individuals within a specific population's values, beliefs, practices, health literacy, preferred

6.26 language, and other communication needs; and (2) is designed to address the unique needs

6.27 of individuals who share a common language or racial, ethnic, or social background.

6.28 (d) Case management services must be provided by a public or private agency that is

6.29 enrolled as a medical assistance provider determined by the commissioner to meet all of

6.30 the requirements in the approved federal waiver plans. Case management services must not

6.31 be provided to a recipient by a private agency that has a financial interest in the provision

6.32 of any other services included in the recipient's support plan. For purposes of this section,

7.1 "private agency" means any agency that is not identified as a lead agency under section
7.2 256B.0911, subdivision 10.

7.3 (e) Case managers are responsible for service provisions listed in paragraphs (a) and
7.4 (b). Case managers shall collaborate with consumers, families, legal representatives, and
7.5 relevant medical experts and service providers in the development and annual review of the
7.6 person-centered support plan and habilitation plan.

7.7 (f) For persons who need a positive support transition plan as required in chapter 245D,
7.8 the case manager shall participate in the development and ongoing evaluation of the plan
7.9 with the expanded support team. At least quarterly, the case manager, in consultation with
7.10 the expanded support team, shall evaluate the effectiveness of the plan based on progress
7.11 evaluation data submitted by the licensed provider to the case manager. The evaluation must
7.12 identify whether the plan has been developed and implemented in a manner to achieve the
7.13 following within the required timelines:

7.14 (1) phasing out the use of prohibited procedures;

7.15 (2) acquisition of skills needed to eliminate the prohibited procedures within the plan's
7.16 timeline; and

7.17 (3) accomplishment of identified outcomes.

7.18 If adequate progress is not being made, the case manager shall consult with the person's
7.19 expanded support team to identify needed modifications and whether additional professional
7.20 support is required to provide consultation.

7.21 (g) The Department of Human Services shall offer ongoing education in case management
7.22 to case managers. Case managers shall receive no less than 20 hours of case management
7.23 education and disability-related training each year. The education and training must include
7.24 person-centered planning, informed choice, informed decision making, cultural competency,
7.25 employment planning, community living planning, self-direction options, and use of
7.26 technology supports. Case managers must annually complete an informed choice curriculum
7.27 and pass a competency evaluation, in a form determined by the commissioner, on informed
7.28 decision-making standards. By August 1, 2024, all case managers must complete an
7.29 employment support training course identified by the commissioner of human services. For
7.30 case managers hired after August 1, 2024, this training must be completed within the first
7.31 six months of providing case management services. For the purposes of this section,
7.32 "person-centered planning" or "person-centered" has the meaning given in section 256B.0911,
7.33 subdivision 10. Case managers must document completion of training in a system identified
7.34 by the commissioner.

8.1 **EFFECTIVE DATE.** This section is effective August 1, 2025.

8.2 Sec. 6. Minnesota Statutes 2024, section 256B.092, subdivision 11a, is amended to read:

8.3 Subd. 11a. **Residential support services criteria.** (a) For the purposes of this subdivision,
8.4 "residential support services" means the following residential support services reimbursed
8.5 under section 256B.4914: community residential services, customized living services, and
8.6 24-hour customized living services.

8.7 (b) In order to increase independent living options for people with disabilities and in
8.8 accordance with section 256B.4905, subdivisions ~~3 and 4~~ 7 and 8, and consistent with
8.9 section 245A.03, subdivision 7, the commissioner must establish and implement criteria to
8.10 access residential support services. The criteria for accessing residential support services
8.11 must prohibit the commissioner from authorizing residential support services unless at least
8.12 all of the following conditions are met:

8.13 (1) the individual has complex behavioral health or complex medical needs; and

8.14 (2) the individual's service planning team has considered all other available residential
8.15 service options and determined that those options are inappropriate to meet the individual's
8.16 support needs.

8.17 (c) Nothing in this subdivision shall be construed as permitting the commissioner to
8.18 establish criteria prohibiting the authorization of residential support services for individuals
8.19 described in the statewide priorities established in subdivision 12, the transition populations
8.20 in subdivision 13, and the licensing moratorium exception criteria under section 245A.03,
8.21 subdivision 7, paragraph (a).

8.22 (d) Individuals with active service agreements for residential support services on the
8.23 date that the criteria for accessing residential support services become effective are exempt
8.24 from the requirements of this subdivision, and the exemption from the criteria for accessing
8.25 residential support services continues to apply for renewals of those service agreements.

8.26 **EFFECTIVE DATE.** This section is effective 90 days following federal approval of
8.27 Laws 2021, First Special Session chapter 7, article 13, section 18.

8.28 Sec. 7. Minnesota Statutes 2024, section 256B.49, subdivision 13, is amended to read:

8.29 Subd. 13. **Case management.** (a) Each recipient of a home and community-based waiver
8.30 shall be provided case management services by qualified vendors as described in the federally
8.31 approved waiver application. The case management service activities provided must include:

9.1 (1) finalizing the person-centered written support plan within the timelines established
9.2 by the commissioner and section 256B.0911, subdivision 29;

9.3 (2) informing the recipient or the recipient's legal guardian or conservator of service
9.4 options, including all service options available under the waiver plans;

9.5 (3) assisting the recipient in the identification of potential service providers of chosen
9.6 services, including:

9.7 (i) available options for case management service and providers;

9.8 (ii) providers of services provided in a non-disability-specific setting;

9.9 (iii) employment service providers;

9.10 (iv) providers of services provided in settings that are not community residential settings;
9.11 and

9.12 (v) providers of financial management services;

9.13 (4) assisting the recipient to access services and assisting with appeals under section
9.14 256.045; and

9.15 (5) coordinating, evaluating, and monitoring of the services identified in the service
9.16 plan.

9.17 (b) The case manager may delegate certain aspects of the case management service
9.18 activities to another individual provided there is oversight by the case manager. The case
9.19 manager may not delegate those aspects which require professional judgment including:

9.20 (1) finalizing the person-centered support plan;

9.21 (2) ongoing assessment and monitoring of the person's needs and adequacy of the
9.22 approved person-centered support plan; and

9.23 (3) adjustments to the person-centered support plan.

9.24 (c) Case management services must be provided by a public or private agency that is
9.25 enrolled as a medical assistance provider determined by the commissioner to meet all of
9.26 the requirements in the approved federal waiver plans. If a county agency provides case
9.27 management under contracts with other individuals or agencies and the county agency
9.28 utilizes a competitive proposal process for the procurement of contracted case management
9.29 services, the competitive proposal process must include evaluation criteria to ensure that
9.30 the county maintains a culturally responsive program for case management services adequate
9.31 to meet the needs of the population of the county. For the purposes of this section, "culturally

10.1 responsive program" means a case management services program that: (1) ensures effective,
10.2 equitable, comprehensive, and respectful quality care services that are responsive to
10.3 individuals within a specific population's values, beliefs, practices, health literacy, preferred
10.4 language, and other communication needs; and (2) is designed to address the unique needs
10.5 of individuals who share a common language or racial, ethnic, or social background.

10.6 (d) Case management services must not be provided to a recipient by a private agency
10.7 that has any financial interest in the provision of any other services included in the recipient's
10.8 support plan. For purposes of this section, "private agency" means any agency that is not
10.9 identified as a lead agency under section 256B.0911, subdivision 10.

10.10 (e) For persons who need a positive support transition plan as required in chapter 245D,
10.11 the case manager shall participate in the development and ongoing evaluation of the plan
10.12 with the expanded support team. At least quarterly, the case manager, in consultation with
10.13 the expanded support team, shall evaluate the effectiveness of the plan based on progress
10.14 evaluation data submitted by the licensed provider to the case manager. The evaluation must
10.15 identify whether the plan has been developed and implemented in a manner to achieve the
10.16 following within the required timelines:

10.17 (1) phasing out the use of prohibited procedures;

10.18 (2) acquisition of skills needed to eliminate the prohibited procedures within the plan's
10.19 timeline; and

10.20 (3) accomplishment of identified outcomes.

10.21 If adequate progress is not being made, the case manager shall consult with the person's
10.22 expanded support team to identify needed modifications and whether additional professional
10.23 support is required to provide consultation.

10.24 (f) The Department of Human Services shall offer ongoing education in case management
10.25 to case managers. Case managers shall receive no less than 20 hours of case management
10.26 education and disability-related training each year. The education and training must include
10.27 person-centered planning, informed choice, informed decision making, cultural competency,
10.28 employment planning, community living planning, self-direction options, and use of
10.29 technology supports. Case managers must annually complete an informed choice curriculum
10.30 and pass a competency evaluation, in a form determined by the commissioner, on informed
10.31 decision-making standards. By August 1, 2024, all case managers must complete an
10.32 employment support training course identified by the commissioner of human services. For
10.33 case managers hired after August 1, 2024, this training must be completed within the first
10.34 six months of providing case management services. For the purposes of this section,

11.1 "person-centered planning" or "person-centered" has the meaning given in section 256B.0911,
 11.2 subdivision 10. Case managers shall document completion of training in a system identified
 11.3 by the commissioner.

11.4 **EFFECTIVE DATE.** This section is effective August 1, 2025.

11.5 Sec. 8. Minnesota Statutes 2024, section 256B.49, subdivision 29, is amended to read:

11.6 Subd. 29. **Residential support services criteria.** (a) For the purposes of this subdivision,
 11.7 "residential support services" means the following residential support services reimbursed
 11.8 under section 256B.4914: community residential services, customized living services, and
 11.9 24-hour customized living services.

11.10 (b) In order to increase independent living options for people with disabilities and in
 11.11 accordance with section 256B.4905, subdivisions ~~3 and 4~~ 7 and 8, and consistent with
 11.12 section 245A.03, subdivision 7, the commissioner must establish and implement criteria to
 11.13 access residential support services. The criteria for accessing residential support services
 11.14 must prohibit the commissioner from authorizing residential support services unless at least
 11.15 all of the following conditions are met:

11.16 (1) the individual has complex behavioral health or complex medical needs; and

11.17 (2) the individual's service planning team has considered all other available residential
 11.18 service options and determined that those options are inappropriate to meet the individual's
 11.19 support needs.

11.20 (c) Nothing in this subdivision shall be construed as permitting the commissioner to
 11.21 establish criteria prohibiting the authorization of residential support services for individuals
 11.22 described in the statewide priorities established in subdivision ~~12~~ 11a, the transition
 11.23 populations in subdivision ~~13~~ 24, and the licensing moratorium exception criteria under
 11.24 section 245A.03, subdivision 7, paragraph (a).

11.25 ~~(e)~~ (d) Individuals with active service agreements for residential support services on the
 11.26 date that the criteria for accessing residential support services become effective are exempt
 11.27 from the requirements of this subdivision, and the exemption from the criteria for accessing
 11.28 residential support services continues to apply for renewals of those service agreements.

11.29 **EFFECTIVE DATE.** This section is effective 90 days following federal approval of
 11.30 Laws 2021, First Special Session chapter 7, article 13, section 30.

12.1 Sec. 9. Minnesota Statutes 2024, section 256B.4911, subdivision 6, is amended to read:

12.2 Subd. 6. **Services provided by parents and spouses.** (a) This subdivision limits medical
12.3 assistance payments under the consumer-directed community supports option for personal
12.4 assistance services provided by a parent to the parent's minor child or by a participant's
12.5 spouse. This subdivision applies to the consumer-directed community supports option
12.6 available under all of the following:

12.7 (1) alternative care program;

12.8 (2) brain injury waiver;

12.9 (3) community alternative care waiver;

12.10 (4) community access for disability inclusion waiver;

12.11 (5) developmental disabilities waiver; and

12.12 (6) elderly waiver.

12.13 (b) For the purposes of this subdivision, "parent" means a parent, stepparent, or legal
12.14 guardian of a minor.

12.15 (c) If multiple parents are providing personal assistance services to their minor child or
12.16 children, each parent may provide up to 40 hours of personal assistance services in any
12.17 seven-day period regardless of the number of children served. The total number of hours
12.18 of medical assistance home and community-based services provided by all of the parents
12.19 must not exceed 80 hours in a seven-day period regardless of the number of children served.

12.20 (d) If only one parent is providing personal assistance services to a minor child or
12.21 children, the parent may provide up to 60 hours of medical assistance home and
12.22 community-based services in a seven-day period regardless of the number of children served.

12.23 (e) Subject to the hour limits in paragraphs (c) and (d), a parent may provide personal
12.24 assistance services to a minor child while traveling temporarily out of state if the minor
12.25 child has an assessed activity of daily living dependency requiring supervision, direction,
12.26 cueing, or hands-on assistance.

12.27 (f) If a participant's spouse is providing personal assistance services, the spouse may
12.28 provide up to 60 hours of medical assistance home and community-based services in a
12.29 seven-day period.

12.30 ~~(f)~~ (g) This subdivision must not be construed to permit an increase in the total authorized
12.31 consumer-directed community supports budget for an individual.

13.1 Sec. 10. Minnesota Statutes 2024, section 256B.4914, subdivision 10a, is amended to
13.2 read:

13.3 Subd. 10a. **Reporting and analysis of cost data.** (a) The commissioner must ensure
13.4 that wage values and component values in subdivisions 5 to 9 reflect the cost to provide the
13.5 service. As determined by the commissioner, in consultation with stakeholders identified
13.6 in subdivision 17, a provider enrolled to provide services with rates determined under this
13.7 section must submit requested cost data to the commissioner to support research on the cost
13.8 of providing services that have rates determined by the disability waiver rates system.

13.9 Requested cost data may include, but is not limited to:

13.10 (1) worker wage costs;

13.11 (2) benefits paid;

13.12 (3) supervisor wage costs;

13.13 (4) executive wage costs;

13.14 (5) vacation, sick, and training time paid;

13.15 (6) taxes, workers' compensation, and unemployment insurance costs paid;

13.16 (7) administrative costs paid;

13.17 (8) program costs paid;

13.18 (9) transportation costs paid;

13.19 (10) vacancy rates; and

13.20 (11) other data relating to costs required to provide services requested by the
13.21 commissioner.

13.22 (b) At least once in any five-year period, a provider must submit cost data for a fiscal
13.23 year that ended not more than 18 months prior to the submission date. The commissioner
13.24 shall provide each provider a 90-day notice prior to its submission due date. If a provider
13.25 fails to submit required reporting data, the commissioner shall provide notice to providers
13.26 that have not provided required data 30 days after the required submission date, and a second
13.27 notice for providers who have not provided required data 60 days after the required
13.28 submission date. The commissioner shall temporarily suspend payments to the provider if
13.29 cost data is not received 90 days after the required submission date. Withheld payments
13.30 shall be made once data is received by the commissioner.

14.1 (c) The commissioner shall conduct a random validation of data submitted under
14.2 paragraph (a) to ensure data accuracy. The commissioner shall analyze cost documentation
14.3 in paragraph (a) and provide recommendations for adjustments to cost components.

14.4 (d) The commissioner shall analyze cost data submitted under paragraph (a). The
14.5 commissioner shall release cost data in an aggregate form. Cost data from individual
14.6 providers must not be released except as provided for in current law.

14.7 (e) Beginning January 1, 2029, the commissioner shall use data collected in paragraph
14.8 (a) to determine the compliance with requirements identified under subdivision 10d. The
14.9 commissioner shall identify providers who have not met the thresholds identified under
14.10 subdivision 10d on the Department of Human Services website for the year for which the
14.11 providers reported their costs.

14.12 **EFFECTIVE DATE.** This section is effective retroactively from January 1, 2025.

14.13 Sec. 11. Minnesota Statutes 2024, section 256B.4914, subdivision 10d, is amended to
14.14 read:

14.15 Subd. 10d. **Direct care staff; compensation.** (a) A provider paid with rates determined
14.16 under subdivision 6 must use a minimum of 66 percent of the revenue generated by rates
14.17 determined under that subdivision for direct care staff compensation.

14.18 (b) A provider paid with rates determined under subdivision 7 must use a minimum of
14.19 45 percent of the revenue generated by rates determined under that subdivision for direct
14.20 care staff compensation.

14.21 (c) A provider paid with rates determined under subdivision 8 or 9 must use a minimum
14.22 of 60 percent of the revenue generated by rates determined under those subdivisions for
14.23 direct care staff compensation.

14.24 (d) Compensation under this subdivision includes:

14.25 (1) wages;

14.26 (2) taxes and workers' compensation;

14.27 (3) health insurance;

14.28 (4) dental insurance;

14.29 (5) vision insurance;

14.30 (6) life insurance;

14.31 (7) short-term disability insurance;

15.1 (8) long-term disability insurance;

15.2 (9) retirement spending;

15.3 (10) tuition reimbursement;

15.4 (11) wellness programs;

15.5 (12) paid vacation time;

15.6 (13) paid sick time; or

15.7 (14) other items of monetary value provided to direct care staff.

15.8 (e) This subdivision does not apply to a provider licensed as an assisted living facility
 15.9 by the commissioner of health under chapter 144G.

15.10 (f) This subdivision is effective January 1, 2029, and applies to services provided on or
 15.11 after that date.

15.12 **EFFECTIVE DATE.** This section is effective retroactively from January 1, 2025.

15.13 Sec. 12. Minnesota Statutes 2024, section 256R.38, is amended to read:

15.14 **256R.38 PERFORMANCE-BASED INCENTIVE PAYMENTS.**

15.15 The commissioner shall develop additional incentive-based payments of up to five
 15.16 percent above a facility's operating payment rate for achieving outcomes specified in a
 15.17 contract. The commissioner may solicit proposals and select those which, on a competitive
 15.18 basis, best meet the state's policy objectives. The commissioner shall limit the amount of
 15.19 any incentive payment and the number of contract amendments under this section to operate
 15.20 the incentive payments within funds appropriated for this purpose. The commissioner shall
 15.21 approve proposals through a memorandum of understanding which shall specify various
 15.22 levels of payment for various levels of performance. Incentive payments to facilities under
 15.23 this section shall be in the form of time-limited rate adjustments which shall be included in
 15.24 the external fixed costs payment rate under section 256R.25. In establishing the specified
 15.25 outcomes and related criteria, the commissioner shall consider the following state policy
 15.26 objectives:

15.27 (1) successful diversion or discharge of residents to the residents' prior home or other
 15.28 community-based alternatives;

15.29 (2) adoption of new technology to improve quality or efficiency;

15.30 (3) improved quality as measured in the Minnesota Nursing Home Report Card;

16.1 (4) reduced acute care costs; and

16.2 (5) any additional outcomes proposed by a nursing facility that the commissioner finds
16.3 desirable.

16.4 Sec. 13. Minnesota Statutes 2024, section 256R.40, subdivision 5, is amended to read:

16.5 Subd. 5. **Planned closure rate adjustment.** (a) The commissioner shall calculate the
16.6 amount of the planned closure rate adjustment available under subdivision 6 according to
16.7 clauses (1) to (4):

16.8 (1) the amount available is the net reduction of nursing facility beds multiplied by \$2,080;

16.9 (2) the total number of beds in the nursing facility or facilities receiving the planned
16.10 closure rate adjustment must be identified;

16.11 (3) capacity days are determined by multiplying the number determined under clause
16.12 (2) by 365; and

16.13 (4) the planned closure rate adjustment is the amount available in clause (1), divided by
16.14 capacity days determined under clause (3).

16.15 (b) A planned closure rate adjustment under this section is effective on the first day of
16.16 the month of January or July, whichever occurs immediately following completion of closure
16.17 of the facility designated for closure in the application and becomes part of the nursing
16.18 facility's external fixed costs payment rate.

16.19 (c) Upon the request of a closing facility, the commissioner must allow the facility a
16.20 closure rate adjustment as provided under section 144A.161, subdivision 10.

16.21 (d) A facility that has received a planned closure rate adjustment may reassign it to
16.22 another facility that is under the same ownership at any time within three years of its effective
16.23 date. The amount of the adjustment is computed according to paragraph (a).

16.24 (e) If the per bed dollar amount specified in paragraph (a), clause (1), is increased, the
16.25 commissioner shall recalculate planned closure rate adjustments for facilities that delicense
16.26 beds under this section on or after July 1, 2001, to reflect the increase in the per bed dollar
16.27 amount. The recalculated planned closure rate adjustment is effective from the date the per
16.28 bed dollar amount is increased.

17.1 Sec. 14. **DIRECTION TO COMMISSIONER; NOTICE OF ACTION REVISION.**

17.2 By July 1, 2025, the commissioner of human services shall review and make changes
 17.3 to the Notice of Action form to incorporate the long-term care decision review process in
 17.4 Minnesota Statutes, section 256B.0909.

17.5 **ARTICLE 2**

17.6 **DEPARTMENT OF HEALTH POLICY**

17.7 Section 1. Minnesota Statutes 2024, section 144.0724, subdivision 2, is amended to read:

17.8 Subd. 2. **Definitions.** For purposes of this section, the following terms have the meanings
 17.9 given.

17.10 (a) "Assessment reference date" or "ARD" means the specific end point for look-back
 17.11 periods in the MDS assessment process. This look-back period is also called the observation
 17.12 or assessment period.

17.13 (b) "Case mix index" means the weighting factors assigned to the case mix reimbursement
 17.14 classifications determined by an assessment.

17.15 (c) "Index maximization" means classifying a resident who could be assigned to more
 17.16 than one category, to the category with the highest case mix index.

17.17 (d) "Minimum Data Set" or "MDS" means a core set of screening, clinical assessment,
 17.18 and functional status elements, that include common definitions and coding categories
 17.19 specified by the Centers for Medicare and Medicaid Services and designated by the
 17.20 Department of Health.

17.21 (e) "Representative" means a person who is the resident's guardian or conservator, the
 17.22 person authorized to pay the nursing home expenses of the resident, a representative of the
 17.23 Office of Ombudsman for Long-Term Care whose assistance has been requested, or any
 17.24 other individual designated by the resident.

17.25 (f) "Activities of daily living" or "ADL" includes personal hygiene, dressing, bathing,
 17.26 transferring, bed mobility, locomotion, eating, and toileting.

17.27 (g) "Patient Driven Payment Model" or "PDPM" means a case mix classification system
 17.28 for residents in nursing facilities based on the resident's condition, resident's diagnosis, and
 17.29 the care the resident is receiving based on data supplied in the facility's MDS for assessments
 17.30 with an ARD on or after October 1, 2025.

18.1 ~~(g)~~ (h) "Nursing facility level of care determination" means the assessment process that
 18.2 results in a determination of a resident's or prospective resident's need for nursing facility
 18.3 level of care as established in subdivision 11 for purposes of medical assistance payment
 18.4 of long-term care services for:

18.5 (1) nursing facility services under chapter 256R;

18.6 (2) elderly waiver services under chapter 256S;

18.7 (3) CADI and BI waiver services under section 256B.49; and

18.8 (4) state payment of alternative care services under section 256B.0913.

18.9 (i) "Resource utilization group" or "RUG" means a system for grouping a nursing facility's
 18.10 residents according to the resident's clinical and functional status identified in data supplied
 18.11 by the facility's minimum data set with an ARD before September 30, 2025.

18.12 Sec. 2. Minnesota Statutes 2024, section 144.0724, subdivision 3a, is amended to read:

18.13 Subd. 3a. **Resident case mix reimbursement classifications.** (a) Resident case mix
 18.14 reimbursement classifications shall be based on the Minimum Data Set, version 3.0
 18.15 assessment instrument, or its successor version mandated by the Centers for Medicare and
 18.16 Medicaid Services that nursing facilities are required to complete for all residents. Case
 18.17 mix reimbursement classifications shall also be based on assessments required under
 18.18 subdivision 4. Assessments must be completed according to the Long Term Care Facility
 18.19 Resident Assessment Instrument User's Manual Version 3.0 or a successor manual issued
 18.20 by the Centers for Medicare and Medicaid Services. On or before September 30, 2025, the
 18.21 optional state assessment must be completed according to the OSA Manual Version 1.0 v.2.

18.22 (b) Each resident must be classified based on the information from the Minimum Data
 18.23 Set according to the general categories issued by the Minnesota Department of Health,
 18.24 utilized for reimbursement purposes.

18.25 Sec. 3. Minnesota Statutes 2024, section 144.0724, subdivision 4, is amended to read:

18.26 Subd. 4. **Resident assessment schedule.** (a) A facility must conduct and electronically
 18.27 submit to the federal database MDS assessments that conform with the assessment schedule
 18.28 defined by the Long Term Care Facility Resident Assessment Instrument User's Manual,
 18.29 version 3.0, or its successor issued by the Centers for Medicare and Medicaid Services. The
 18.30 commissioner of health may substitute successor manuals or question and answer documents
 18.31 published by the United States Department of Health and Human Services, Centers for

19.1 Medicare and Medicaid Services, to replace or supplement the current version of the manual
19.2 or document.

19.3 (b) The assessments required under the Omnibus Budget Reconciliation Act of 1987
19.4 (OBRA) used to determine a case mix reimbursement classification include:

19.5 (1) a new admission comprehensive assessment, which must have an assessment reference
19.6 date (ARD) within 14 calendar days after admission, excluding readmissions;

19.7 (2) an annual comprehensive assessment, which must have an ARD within 92 days of
19.8 a previous quarterly review assessment or a previous comprehensive assessment, which
19.9 must occur at least once every 366 days;

19.10 (3) a significant change in status comprehensive assessment, which must have an ARD
19.11 within 14 days after the facility determines, or should have determined, that there has been
19.12 a significant change in the resident's physical or mental condition, whether an improvement
19.13 or a decline, and regardless of the amount of time since the last comprehensive assessment
19.14 or quarterly review assessment. Effective October 1, 2025, a significant change in status
19.15 assessment is also required when isolation for an infectious disease has ended. If isolation
19.16 was not coded on the most recent OBRA assessment completed, then the significant change
19.17 in status assessment is not required. The ARD of this assessment must be set on day 15 after
19.18 isolation has ended;

19.19 (4) a quarterly review assessment must have an ARD within 92 days of the ARD of the
19.20 previous quarterly review assessment or a previous comprehensive assessment;

19.21 (5) any significant correction to a prior comprehensive assessment, if the assessment
19.22 being corrected is the current one being used for reimbursement classification;

19.23 (6) any significant correction to a prior quarterly review assessment, if the assessment
19.24 being corrected is the current one being used for reimbursement classification; and

19.25 (7) any modifications to the most recent assessments under clauses (1) to (6).

19.26 (c) On or before September 30, 2025, the optional state assessment must accompany all
19.27 OBRA assessments. The optional state assessment is also required to determine
19.28 reimbursement when:

19.29 (1) all speech, occupational, and physical therapies have ended. If the most recent optional
19.30 state assessment completed does not result in a rehabilitation case mix reimbursement
19.31 classification, then the optional state assessment is not required. The ARD of this assessment
19.32 must be set on day eight after all therapy services have ended; and

20.1 (2) isolation for an infectious disease has ended. If isolation was not coded on the most
20.2 recent optional state assessment completed, then the optional state assessment is not required.
20.3 The ARD of this assessment must be set on day 15 after isolation has ended.

20.4 (d) In addition to the assessments listed in paragraphs (b) and (c), the assessments used
20.5 to determine nursing facility level of care include the following:

20.6 (1) preadmission screening completed under section 256.975, subdivisions 7a to 7c, by
20.7 the Senior LinkAge Line or other organization under contract with the Minnesota Board on
20.8 Aging; and

20.9 (2) a nursing facility level of care determination as provided for under section 256B.0911,
20.10 subdivision 26, as part of a face-to-face long-term care consultation assessment completed
20.11 under section 256B.0911, by a county, tribe, or managed care organization under contract
20.12 with the Department of Human Services.

20.13 Sec. 4. Minnesota Statutes 2024, section 144.0724, subdivision 9, is amended to read:

20.14 Subd. 9. **Audit authority.** (a) The commissioner shall audit the accuracy of resident
20.15 assessments performed under section 256R.17 through any of the following: desk audits;
20.16 on-site review of residents and their records; and interviews with staff, residents, or residents'
20.17 families. The commissioner shall reclassify a resident if the commissioner determines that
20.18 the resident was incorrectly classified.

20.19 (b) The commissioner is authorized to conduct on-site audits on an unannounced basis.

20.20 (c) A facility must grant the commissioner access to examine the medical records relating
20.21 to the resident assessments selected for audit under this subdivision. The commissioner may
20.22 also observe and speak to facility staff and residents.

20.23 (d) The commissioner shall consider documentation under the time frames for coding
20.24 items on the minimum data set as set out in the Long-Term Care Facility Resident Assessment
20.25 Instrument User's Manual or on or before September 30, 2025, the OSA Manual version
20.26 1.0 v.2 published by the Centers for Medicare and Medicaid Services.

20.27 (e) The commissioner shall develop an audit selection procedure that includes the
20.28 following factors:

20.29 (1) Each facility shall be audited annually. If a facility has two successive audits in which
20.30 the percentage of change is five percent or less and the facility has not been the subject of
20.31 a special audit in the past 36 months, the facility may be audited biannually. A stratified
20.32 sample of 15 percent, with a minimum of ten assessments, of the most current assessments

21.1 shall be selected for audit. If more than 20 percent of the case mix reimbursement
21.2 classifications are changed as a result of the audit, the audit shall be expanded to a second
21.3 15 percent sample, with a minimum of ten assessments. If the total change between the first
21.4 and second samples is 35 percent or greater, the commissioner may expand the audit to all
21.5 of the remaining assessments.

21.6 (2) If a facility qualifies for an expanded audit, the commissioner may audit the facility
21.7 again within six months. If a facility has two expanded audits within a 24-month period,
21.8 that facility will be audited at least every six months for the next 18 months.

21.9 (3) The commissioner may conduct special audits if the commissioner determines that
21.10 circumstances exist that could alter or affect the validity of case mix reimbursement
21.11 classifications of residents. These circumstances include, but are not limited to, the following:

21.12 (i) frequent changes in the administration or management of the facility;

21.13 (ii) an unusually high percentage of residents in a specific case mix reimbursement
21.14 classification;

21.15 (iii) a high frequency in the number of reconsideration requests received from a facility;

21.16 (iv) frequent adjustments of case mix reimbursement classifications as the result of
21.17 reconsiderations or audits;

21.18 (v) a criminal indictment alleging provider fraud;

21.19 (vi) other similar factors that relate to a facility's ability to conduct accurate assessments;

21.20 (vii) an atypical pattern of scoring minimum data set items;

21.21 (viii) nonsubmission of assessments;

21.22 (ix) late submission of assessments; or

21.23 (x) a previous history of audit changes of 35 percent or greater.

21.24 (f) If the audit results in a case mix reimbursement classification change, the
21.25 commissioner must transmit the audit classification notice by electronic means to the nursing
21.26 facility within 15 business days of completing an audit. The nursing facility is responsible
21.27 for distribution of the notice to each resident or the resident's representative. This notice
21.28 must be distributed by the nursing facility within three business days after receipt. The
21.29 notice must inform the resident of the case mix reimbursement classification assigned, the
21.30 opportunity to review the documentation supporting the classification, the opportunity to
21.31 obtain clarification from the commissioner, the opportunity to request a reconsideration of

22.1 the classification, and the address and telephone number of the Office of Ombudsman for
22.2 Long-Term Care.

22.3 Sec. 5. Minnesota Statutes 2024, section 144.651, subdivision 10a, is amended to read:

22.4 Subd. 10a. **Designated support person for pregnant patient or other patient.** (a)
22.5 Subject to paragraph (c), a health care provider and a health care facility must allow, at a
22.6 minimum, one designated support person chosen by a patient, including but not limited to
22.7 a pregnant patient, to be physically present while the patient is receiving health care services
22.8 including during a hospital stay. Subject to paragraph (c), a facility must allow, at a minimum,
22.9 one designated support person chosen by the resident to be physically present with the
22.10 resident at times of the resident's choosing while the resident resides at the facility.

22.11 (b) For purposes of this subdivision, "designated support person" means any person
22.12 chosen by the patient or resident to provide comfort to the patient or resident, including but
22.13 not limited to the patient's or resident's spouse, partner, family member, or another person
22.14 related by affinity. Certified doulas and traditional midwives may not be counted toward
22.15 the limit of one designated support person.

22.16 (c) A facility may restrict or prohibit the presence of a designated support person in
22.17 treatment rooms, procedure rooms, and operating rooms when such a restriction or prohibition
22.18 is strictly necessary to meet the appropriate standard of care. A facility may also restrict or
22.19 prohibit the presence of a designated support person if the designated support person is
22.20 acting in a violent or threatening manner toward others. Any restriction or prohibition of a
22.21 designated support person by the facility is subject to the facility's written internal grievance
22.22 procedure required by subdivision 20.

22.23 (d) This subdivision does not apply to a patient or resident at a state-operated treatment
22.24 program as defined in section 253B.02, subdivision 18d.

22.25 Sec. 6. Minnesota Statutes 2024, section 144A.61, is amended by adding a subdivision to
22.26 read:

22.27 Subd. 3b. Commissioner approval of curricula for medication administration. The
22.28 commissioner of health must review and approve curricula that meet the requirements in
22.29 Minnesota Rules, part 4658.1360, subpart 2, item B, to train unlicensed personnel in
22.30 medication administration. Significant updates or amendments, including but not limited
22.31 to changes to the standards of practice to the curricula, must be approved by the
22.32 commissioner.

23.1 Sec. 7. Minnesota Statutes 2024, section 144A.61, is amended by adding a subdivision to
23.2 read:

23.3 Subd. 3c. **Approved curricula.** The commissioner must maintain a current list of
23.4 acceptable medication administration curricula to be used for medication aide training
23.5 programs for employees of nursing homes and certified boarding care homes on the
23.6 department's website that are based on current best practice standards and meet the
23.7 requirements of Minnesota Rules, part 4658.1360, subpart 2, item B.

23.8 Sec. 8. Minnesota Statutes 2024, section 144A.70, subdivision 3, is amended to read:

23.9 Subd. 3. **Controlling person.** "Controlling person" means a business entity or entities,
23.10 officer, program administrator, or director, whose responsibilities include the management
23.11 and decision-making authority to establish or control business policy and all other policies
23.12 of a supplemental nursing services agency. Controlling person also means an individual
23.13 who, ~~directly or indirectly, beneficially owns an~~ has a direct ownership interest or indirect
23.14 ownership interest in a corporation, partnership, or other business association that is a
23.15 ~~controlling person~~ the registrant.

23.16 Sec. 9. Minnesota Statutes 2024, section 144A.70, is amended by adding a subdivision to
23.17 read:

23.18 Subd. 3a. **Direct ownership interest.** "Direct ownership interest" means an individual
23.19 or legal entity with at least five percent equity in capital, stock, or profits of the registrant
23.20 or who is a member of a limited liability company of the registrant.

23.21 Sec. 10. Minnesota Statutes 2024, section 144A.70, is amended by adding a subdivision
23.22 to read:

23.23 Subd. 3b. **Indirect ownership interest.** "Indirect ownership interest" means an individual
23.24 or legal entity with a direct ownership interest in an entity that has a direct or indirect
23.25 ownership interest of at least five percent in an entity that is a registrant.

23.26 Sec. 11. Minnesota Statutes 2024, section 144A.70, subdivision 7, is amended to read:

23.27 Subd. 7. **Oversight.** The commissioner is responsible for the oversight of supplemental
23.28 nursing services agencies through ~~semiannual~~ unannounced surveys every two years and
23.29 follow-up surveys, complaint investigations under sections 144A.51 to 144A.53, and other
23.30 actions necessary to ensure compliance with sections 144A.70 to 144A.74.

24.1 Sec. 12. Minnesota Statutes 2024, section 144G.10, subdivision 1, is amended to read:

24.2 Subdivision 1. **License required.** (a)(1) Beginning August 1, 2021, no assisted living
24.3 facility may operate in Minnesota unless it is licensed under this chapter.

24.4 (2) No facility or building on a campus may provide assisted living services until
24.5 obtaining the required license under paragraphs (c) to (e).

24.6 (b) The licensee is legally responsible for the management, control, and operation of the
24.7 facility, regardless of the existence of a management agreement or subcontract. Nothing in
24.8 this chapter shall in any way affect the rights and remedies available under other law.

24.9 (c) Upon approving an application for an assisted living facility license, the commissioner
24.10 shall issue a single license for each building that is operated by the licensee as an assisted
24.11 living facility and is located at a separate address, except as provided under paragraph (d)
24.12 or (e). If a portion of a licensed assisted living facility building is utilized by an unlicensed
24.13 entity or an entity with a license type not granted under this chapter, the licensed assisted
24.14 living facility must ensure there is at least a vertical two-hour fire barrier constructed in
24.15 accordance with the National Fire Protection Association Standard 101, Life Safety Code,
24.16 between any licensed assisted living facility areas and unlicensed entity areas of the building
24.17 and between the licensed assisted living facility areas and any licensed areas subject to
24.18 another license type.

24.19 (d) Upon approving an application for an assisted living facility license, the commissioner
24.20 may issue a single license for two or more buildings on a campus that are operated by the
24.21 same licensee as an assisted living facility. An assisted living facility license for a campus
24.22 must identify the address and licensed resident capacity of each building located on the
24.23 campus in which assisted living services are provided.

24.24 (e) Upon approving an application for an assisted living facility license, the commissioner
24.25 may:

24.26 (1) issue a single license for two or more buildings on a campus that are operated by the
24.27 same licensee as an assisted living facility with dementia care, provided the assisted living
24.28 facility for dementia care license for a campus identifies the buildings operating as assisted
24.29 living facilities with dementia care; or

24.30 (2) issue a separate assisted living facility with dementia care license for a building that
24.31 is on a campus and that is operating as an assisted living facility with dementia care.

25.1 Sec. 13. Minnesota Statutes 2024, section 144G.10, subdivision 1a, is amended to read:

25.2 Subd. 1a. **Assisted living director license required.** Each assisted living facility must
25.3 employ an assisted living director licensed or permitted by the Board of Executives for
25.4 Long Term Services and Supports and affiliated as the director of record with the board.

25.5 Sec. 14. Minnesota Statutes 2024, section 144G.10, subdivision 5, is amended to read:

25.6 Subd. 5. **Protected title; restriction on use.** (a) Effective January 1, ~~2026~~ 2027, no
25.7 person or entity may use the phrase "assisted living," whether alone or in combination with
25.8 other words and whether orally or in writing, to: advertise; market; or otherwise describe,
25.9 offer, or promote itself, or any housing, service, service package, or program that it provides
25.10 within this state, unless the person or entity is a licensed assisted living facility that meets
25.11 the requirements of this chapter. A person or entity entitled to use the phrase "assisted living"
25.12 shall use the phrase only in the context of its participation that meets the requirements of
25.13 this chapter.

25.14 (b) Effective January 1, ~~2026~~ 2027, the licensee's name for ~~a new~~ an assisted living
25.15 facility may not include the terms "home care" or "nursing home."

25.16 Sec. 15. Minnesota Statutes 2024, section 144G.16, subdivision 3, is amended to read:

25.17 Subd. 3. **Licensure; termination or extension of provisional licenses.** (a) If the
25.18 provisional licensee is in substantial compliance with the survey, the commissioner shall
25.19 issue a facility license.

25.20 (b) If the provisional licensee is not in substantial compliance with the initial survey,
25.21 the commissioner shall either: (1) not issue the facility license and terminate the provisional
25.22 license; or (2) extend the provisional license for a period not to exceed 90 calendar days
25.23 and apply conditions necessary to bring the facility into substantial compliance. If the
25.24 provisional licensee is not in substantial compliance with the survey within the time period
25.25 of the extension or if the provisional licensee does not satisfy the license conditions, the
25.26 commissioner may deny the license.

25.27 (c) The owners and managerial officials of a provisional licensee whose license is denied
25.28 are ineligible to apply for an assisted living facility license under this chapter for one year
25.29 following the facility's closure date.

26.1 Sec. 16. Minnesota Statutes 2024, section 144G.19, is amended by adding a subdivision
26.2 to read:

26.3 Subd. 5. **Change of ownership; existing contracts.** Following a change of ownership,
26.4 the new licensee must honor the terms of an assisted living contract in effect at the time of
26.5 the change of ownership until the end of the contract term.

26.6 **EFFECTIVE DATE.** This section is effective January 1, 2026, and applies to all assisted
26.7 living contracts executed after a change of ownership that occurs on or after that date.

26.8 Sec. 17. Minnesota Statutes 2024, section 144G.52, is amended by adding a subdivision
26.9 to read:

26.10 Subd. 5a. **Impermissible ground for termination.** (a) A facility must not terminate an
26.11 assisted living contract on the ground that the resident changes from using private funds to
26.12 using public funds to pay for housing or services if the facility has represented or advertised
26.13 that the facility accepts public funds to cover the costs of housing or services or makes any
26.14 similar representation regarding the ability of the resident to remain in the facility when the
26.15 resident's private funds are exhausted.

26.16 (b) A resident must notify the facility of the resident's intention to apply for public
26.17 assistance to pay for housing or services, or both, and must make a timely application to
26.18 the appropriate government agency or agencies. The facility must inform the resident at the
26.19 time the resident moves into the facility and once annually of the facility's policy regarding
26.20 converting from using private funds to public funds to pay for housing or services, or both,
26.21 and of the resident's obligation to notify the facility of the resident's intent to apply for public
26.22 assistance and to make a timely application for public assistance.

26.23 (c) This subdivision does not prohibit a facility from terminating an assisted living
26.24 contract for nonpayment according to subdivision 3, or for a violation of the assisted living
26.25 contract according to subdivision 4.

26.26 (d) If a resident's application for public funds is not processed within 30 days, the resident
26.27 may contact the Office of Ombudsman for Long-Term Care to facilitate timely completion
26.28 of enrollment with the appropriate lead agency.

26.29 Sec. 18. Minnesota Statutes 2024, section 144G.53, is amended to read:

26.30 **144G.53 NONRENEWAL OF HOUSING.**

26.31 Subdivision 1. **Notice or termination procedure.** (a) If a facility decides to not renew
26.32 a resident's housing under a contract, the facility must either (1) provide the resident with

27.1 60 calendar days' notice of the nonrenewal and assistance with relocation planning, or (2)
27.2 follow the termination procedure under section 144G.52.

27.3 (b) The notice must include the reason for the nonrenewal and contact information of
27.4 the Office of Ombudsman for Long-Term Care and the Office of Ombudsman for Mental
27.5 Health and Developmental Disabilities.

27.6 (c) A facility must:

27.7 (1) provide notice of the nonrenewal to the Office of Ombudsman for Long-Term Care;
27.8 and

27.9 (2) for residents who receive home and community-based waiver services under chapter
27.10 256S and section 256B.49, provide notice to the resident's case manager;

27.11 Subd. 2. Prohibited ground for nonrenewal. A facility must not decline to renew a
27.12 resident's housing under an assisted living contract on the ground that the resident changes
27.13 from using private funds to using public funds to pay for housing if the facility has
27.14 represented or advertised that the facility accepts public funds to cover the costs of housing
27.15 or makes any similar representation regarding the ability of the resident to remain in the
27.16 facility when the resident's private funds are exhausted.

27.17 (b) A resident must notify the facility of the resident's intention to apply for public
27.18 assistance to pay for housing or services, or both, and must make a timely application to
27.19 the appropriate government agency or agencies. The facility must inform the resident at the
27.20 time the resident moves into the facility and once annually of the facility's policy regarding
27.21 converting from using private funds to public funds to pay for housing or services, or both,
27.22 and of the resident's obligation to notify the facility of the resident's intent to apply for public
27.23 assistance and to make a timely application for public assistance.

27.24 (c) This subdivision does not prohibit a facility from terminating an assisted living
27.25 contract for nonpayment according to section 144G.52, subdivision 3, or for a violation of
27.26 the assisted living contract according to section 144G.52, subdivision 4.

27.27 (d) If a resident's application for public funds is not processed within 30 days, the resident
27.28 may contact the Office of Ombudsman for Long-Term Care to facilitate timely completion
27.29 of enrollment with the appropriate lead agency.

27.30 Subd. 3. Requirements following notice. If a facility provides notice of nonrenewal
27.31 according to subdivision 1, the facility must:

27.32 ~~(3)~~ (1) ensure a coordinated move to a safe location, as defined in section 144G.55,
27.33 subdivision 2, that is appropriate for the resident;

28.1 ~~(4)~~ (2) ensure a coordinated move to an appropriate service provider identified by the
 28.2 facility, if services are still needed and desired by the resident;

28.3 ~~(5)~~ (3) consult and cooperate with the resident, legal representative, designated
 28.4 representative, case manager for a resident who receives home and community-based waiver
 28.5 services under chapter 256S and section 256B.49, relevant health professionals, and any
 28.6 other persons of the resident's choosing to make arrangements to move the resident, including
 28.7 consideration of the resident's goals; and

28.8 ~~(6)~~ (4) prepare a written plan to prepare for the move.

28.9 **Subd. 4. Right to move to location of resident's choosing or to use provider of**
 28.10 **resident's choosing.** ~~(d)~~ A resident may decline to move to the location the facility identifies
 28.11 or to accept services from a service provider the facility identifies, and may instead choose
 28.12 to move to a location of the resident's choosing or receive services from a service provider
 28.13 of the resident's choosing within the timeline prescribed in the nonrenewal notice.

28.14 Sec. 19. Minnesota Statutes 2024, section 144G.70, subdivision 2, is amended to read:

28.15 **Subd. 2. Initial reviews, assessments, and monitoring.** (a) Residents who are not
 28.16 receiving any assisted living services shall not be required to undergo an initial
 28.17 comprehensive nursing assessment.

28.18 (b) An assisted living facility shall conduct a comprehensive nursing assessment by a
 28.19 registered nurse of the physical and cognitive needs of the prospective resident and propose
 28.20 a temporary service plan prior to the date on which a prospective resident executes a contract
 28.21 with a facility or the date on which a prospective resident moves in, whichever is earlier.
 28.22 If necessitated by either the geographic distance between the prospective resident and the
 28.23 facility, or urgent or unexpected circumstances, the comprehensive assessment may be
 28.24 conducted using telecommunication methods based on practice standards that meet the
 28.25 resident's needs and reflect person-centered planning and care delivery.

28.26 (c) Resident comprehensive reassessment and monitoring must be conducted ~~no more~~
 28.27 ~~than 14 calendar days after initiation of services. Ongoing resident reassessment and~~
 28.28 ~~monitoring must be conducted as needed based on changes in the needs of the resident and~~
 28.29 ~~cannot exceed 90 calendar days from the last date of the assessment.~~ by a registered nurse:

28.30 (1) no more than 14 calendar days after initiation of services;

28.31 (2) as needed based on changes in the resident's needs; and

28.32 (3) at least every 90 calendar days.

29.1 (d) Sections of the comprehensive reassessment and monitoring in paragraph (c) may
 29.2 be completed by a licensed practical nurse as allowed under the Nurse Practice Act in
 29.3 sections 148.171 to 148.285. A registered nurse must review the findings as part of the
 29.4 resident's comprehensive reassessment.

29.5 ~~(d)~~ (e) For residents only receiving assisted living services specified in section 144G.08,
 29.6 subdivision 9, clauses (1) to (5), the facility shall complete an individualized initial review
 29.7 of the resident's needs and preferences. The initial review must be completed within 30
 29.8 calendar days of the start of services. Resident monitoring and review must be conducted
 29.9 as needed based on changes in the needs of the resident and cannot exceed 90 calendar days
 29.10 from the date of the last review.

29.11 ~~(e)~~ (f) A facility must inform the prospective resident of the availability of and contact
 29.12 information for long-term care consultation services under section 256B.0911, prior to the
 29.13 date on which a prospective resident executes a contract with a facility or the date on which
 29.14 a prospective resident moves in, whichever is earlier.

29.15 Sec. 20. Minnesota Statutes 2024, section 144G.81, subdivision 1, is amended to read:

29.16 Subdivision 1. **Fire protection and physical environment.** An assisted living facility
 29.17 with dementia care ~~that has a secured dementia care unit~~ must meet the requirements of
 29.18 section 144G.45 and the following additional requirements:

29.19 (1) ~~a hazard vulnerability~~ an assessment of safety risk risks must be performed on
 29.20 and around the property. ~~The hazards indicated~~ safety risks identified by the facility on the
 29.21 assessment must be ~~assessed and~~ mitigated to protect the residents from harm. The mitigation
 29.22 efforts must be documented in the facility's records; and

29.23 (2) the facility shall be protected throughout by an approved supervised automatic
 29.24 sprinkler system by August 1, 2029.

29.25 Sec. 21. Minnesota Statutes 2024, section 144G.91, is amended by adding a subdivision
 29.26 to read:

29.27 Subd. 6a. **Designated support person.** (a) Subject to paragraph (c), an assisted living
 29.28 facility must allow, at a minimum, one designated support person chosen by the resident to
 29.29 be physically present with the resident at times of the resident's choosing while the resident
 29.30 resides at the facility.

30.1 (b) For purposes of this subdivision, "designated support person" means any person
 30.2 chosen by the resident to provide comfort to the resident, including but not limited to the
 30.3 resident's spouse, partner, family member, or another person related by affinity.

30.4 (c) A facility may restrict or prohibit the presence of a designated support person if the
 30.5 designated support person is acting in a violent or threatening manner toward others. If the
 30.6 facility restricts or prohibits a resident's designated support person from being present, the
 30.7 resident may file a complaint or inquiry with the facility according to subdivision 20, the
 30.8 Office of Ombudsman for Long-Term Care, or the Office of Ombudsman for Mental Health
 30.9 and Developmental Disabilities.

30.10 **EFFECTIVE DATE.** This section is effective January 1, 2026.

30.11 Sec. 22. Minnesota Statutes 2024, section 148.235, subdivision 10, is amended to read:

30.12 Subd. 10. **Administration of medications by unlicensed personnel in nursing**
 30.13 **facilities.** Notwithstanding the provisions of Minnesota Rules, part 4658.1360, subpart 2,
 30.14 a graduate of a foreign nursing school who has successfully completed an approved
 30.15 competency evaluation under the provisions of section 144A.61 is eligible to administer
 30.16 medications in a nursing facility upon completion of a **any** medication training program for
 30.17 unlicensed personnel approved by the commissioner of health under section 144A.61,
 30.18 subdivision 3b, or offered through a postsecondary educational institution, which meets the
 30.19 requirements specified in Minnesota Rules, part 4658.1360, subpart 2, item B.

30.20 Sec. 23. **REVISOR INSTRUCTION.**

30.21 The revisor of statutes must modify the section headnote for Minnesota Statutes, section
 30.22 144G.81, to read "**ADDITIONAL REQUIREMENTS FOR ASSISTED LIVING**
 30.23 **FACILITIES WITH DEMENTIA CARE AND ASSISTED LIVING FACILITIES WITH**
 30.24 **SECURED DEMENTIA CARE UNITS.**"

30.25 Sec. 24. **REPEALER.**

30.26 Minnesota Statutes 2024, section 144G.9999, subdivisions 1, 2, and 3, are repealed.

31.1 **ARTICLE 3**

31.2 **DIRECT CARE AND TREATMENT**

31.3 Section 1. Minnesota Statutes 2024, section 13.46, subdivision 3, is amended to read:

31.4 Subd. 3. **Investigative data.** (a) Data on persons, including data on vendors of services,
31.5 licensees, and applicants that is collected, maintained, used, or disseminated by the welfare
31.6 system in an investigation, authorized by statute, and relating to the enforcement of rules
31.7 or law are confidential data on individuals pursuant to section 13.02, subdivision 3, or
31.8 protected nonpublic data not on individuals pursuant to section 13.02, subdivision 13, and
31.9 shall not be disclosed except:

31.10 (1) pursuant to section 13.05;

31.11 (2) pursuant to statute or valid court order;

31.12 (3) to a party named in a civil or criminal proceeding, administrative or judicial, for
31.13 preparation of defense;

31.14 (4) to an agent of the welfare system or an investigator acting on behalf of a county,
31.15 state, or federal government, including a law enforcement officer or attorney in the
31.16 investigation or prosecution of a criminal, civil, or administrative proceeding, unless the
31.17 commissioner of human services ~~or~~; the commissioner of children, youth, and families; or
31.18 the Direct Care and Treatment executive board determines that disclosure may compromise
31.19 a Department of Human Services ~~or~~; Department of Children, Youth, and Families; or Direct
31.20 Care and Treatment ongoing investigation; or

31.21 (5) to provide notices required or permitted by statute.

31.22 The data referred to in this subdivision shall be classified as public data upon submission
31.23 to an administrative law judge or court in an administrative or judicial proceeding. Inactive
31.24 welfare investigative data shall be treated as provided in section 13.39, subdivision 3.

31.25 (b) Notwithstanding any other provision in law, the commissioner of human services
31.26 shall provide all active and inactive investigative data, including the name of the reporter
31.27 of alleged maltreatment under section 626.557 or chapter 260E, to the ombudsman for
31.28 mental health and developmental disabilities upon the request of the ombudsman.

31.29 (c) Notwithstanding paragraph (a) and section 13.39, the existence of an investigation
31.30 by the commissioner of human services of possible overpayments of public funds to a service
31.31 provider or recipient may be disclosed if the commissioner determines that it will not
31.32 compromise the investigation.

32.1 **EFFECTIVE DATE.** This section is effective July 1, 2025.

32.2 Sec. 2. Minnesota Statutes 2024, section 13.46, subdivision 4, is amended to read:

32.3 Subd. 4. **Licensing data.** (a) As used in this subdivision:

32.4 (1) "licensing data" are all data collected, maintained, used, or disseminated by the
32.5 welfare system pertaining to persons licensed or registered or who apply for licensure or
32.6 registration or who formerly were licensed or registered under the authority of the
32.7 commissioner of human services;

32.8 (2) "client" means a person who is receiving services from a licensee or from an applicant
32.9 for licensure; and

32.10 (3) "personal and personal financial data" are Social Security numbers, identity of and
32.11 letters of reference, insurance information, reports from the Bureau of Criminal
32.12 Apprehension, health examination reports, and social/home studies.

32.13 (b)(1)(i) Except as provided in paragraph (c), the following data on applicants, license
32.14 holders, certification holders, and former licensees are public: name, address, telephone
32.15 number of licensees, email addresses except for family child foster care, date of receipt of
32.16 a completed application, dates of licensure, licensed capacity, type of client preferred,
32.17 variances granted, record of training and education in child care and child development,
32.18 type of dwelling, name and relationship of other family members, previous license history,
32.19 class of license, the existence and status of complaints, and the number of serious injuries
32.20 to or deaths of individuals in the licensed program as reported to the commissioner of human
32.21 services; the commissioner of children, youth, and families; the local social services agency;
32.22 or any other county welfare agency. For purposes of this clause, a serious injury is one that
32.23 is treated by a physician.

32.24 (ii) Except as provided in item (v), when a correction order, an order to forfeit a fine,
32.25 an order of license suspension, an order of temporary immediate suspension, an order of
32.26 license revocation, an order of license denial, or an order of conditional license has been
32.27 issued, or a complaint is resolved, the following data on current and former licensees and
32.28 applicants are public: the general nature of the complaint or allegations leading to the
32.29 temporary immediate suspension; the substance and investigative findings of the licensing
32.30 or maltreatment complaint, licensing violation, or substantiated maltreatment; the existence
32.31 of settlement negotiations; the record of informal resolution of a licensing violation; orders
32.32 of hearing; findings of fact; conclusions of law; specifications of the final correction order,
32.33 fine, suspension, temporary immediate suspension, revocation, denial, or conditional license

33.1 contained in the record of licensing action; whether a fine has been paid; and the status of
33.2 any appeal of these actions.

33.3 (iii) When a license denial under section 142A.15 or 245A.05 or a sanction under section
33.4 142B.18 or 245A.07 is based on a determination that a license holder, applicant, or controlling
33.5 individual is responsible for maltreatment under section 626.557 or chapter 260E, the identity
33.6 of the applicant, license holder, or controlling individual as the individual responsible for
33.7 maltreatment is public data at the time of the issuance of the license denial or sanction.

33.8 (iv) When a license denial under section 142A.15 or 245A.05 or a sanction under section
33.9 142B.18 or 245A.07 is based on a determination that a license holder, applicant, or controlling
33.10 individual is disqualified under chapter 245C, the identity of the license holder, applicant,
33.11 or controlling individual as the disqualified individual is public data at the time of the
33.12 issuance of the licensing sanction or denial. If the applicant, license holder, or controlling
33.13 individual requests reconsideration of the disqualification and the disqualification is affirmed,
33.14 the reason for the disqualification and the reason to not set aside the disqualification are
33.15 private data.

33.16 (v) A correction order or fine issued to a child care provider for a licensing violation is
33.17 private data on individuals under section 13.02, subdivision 12, or nonpublic data under
33.18 section 13.02, subdivision 9, if the correction order or fine is seven years old or older.

33.19 (2) For applicants who withdraw their application prior to licensure or denial of a license,
33.20 the following data are public: the name of the applicant, the city and county in which the
33.21 applicant was seeking licensure, the dates of the commissioner's receipt of the initial
33.22 application and completed application, the type of license sought, and the date of withdrawal
33.23 of the application.

33.24 (3) For applicants who are denied a license, the following data are public: the name and
33.25 address of the applicant, the city and county in which the applicant was seeking licensure,
33.26 the dates of the commissioner's receipt of the initial application and completed application,
33.27 the type of license sought, the date of denial of the application, the nature of the basis for
33.28 the denial, the existence of settlement negotiations, the record of informal resolution of a
33.29 denial, orders of hearings, findings of fact, conclusions of law, specifications of the final
33.30 order of denial, and the status of any appeal of the denial.

33.31 (4) When maltreatment is substantiated under section 626.557 or chapter 260E and the
33.32 victim and the substantiated perpetrator are affiliated with a program licensed under chapter
33.33 142B or 245A; the commissioner of human services; commissioner of children, youth, and
33.34 families; local social services agency; or county welfare agency may inform the license

34.1 holder where the maltreatment occurred of the identity of the substantiated perpetrator and
34.2 the victim.

34.3 (5) Notwithstanding clause (1), for child foster care, only the name of the license holder
34.4 and the status of the license are public if the county attorney has requested that data otherwise
34.5 classified as public data under clause (1) be considered private data based on the best interests
34.6 of a child in placement in a licensed program.

34.7 (c) The following are private data on individuals under section 13.02, subdivision 12,
34.8 or nonpublic data under section 13.02, subdivision 9: personal and personal financial data
34.9 on family day care program and family foster care program applicants and licensees and
34.10 their family members who provide services under the license.

34.11 (d) The following are private data on individuals: the identity of persons who have made
34.12 reports concerning licensees or applicants that appear in inactive investigative data, and the
34.13 records of clients or employees of the licensee or applicant for licensure whose records are
34.14 received by the licensing agency for purposes of review or in anticipation of a contested
34.15 matter. The names of reporters of complaints or alleged violations of licensing standards
34.16 under chapters 142B, 245A, 245B, 245C, and 245D, and applicable rules and alleged
34.17 maltreatment under section 626.557 and chapter 260E, are confidential data and may be
34.18 disclosed only as provided in section 260E.21, subdivision 4; 260E.35; or 626.557,
34.19 subdivision 12b.

34.20 (e) Data classified as private, confidential, nonpublic, or protected nonpublic under this
34.21 subdivision become public data if submitted to a court or administrative law judge as part
34.22 of a disciplinary proceeding in which there is a public hearing concerning a license which
34.23 has been suspended, immediately suspended, revoked, or denied.

34.24 (f) Data generated in the course of licensing investigations that relate to an alleged
34.25 violation of law are investigative data under subdivision 3.

34.26 (g) Data that are not public data collected, maintained, used, or disseminated under this
34.27 subdivision that relate to or are derived from a report as defined in section 260E.03, or
34.28 626.5572, subdivision 18, are subject to the destruction provisions of sections 260E.35,
34.29 subdivision 6, and 626.557, subdivision 12b.

34.30 (h) Upon request, not public data collected, maintained, used, or disseminated under
34.31 this subdivision that relate to or are derived from a report of substantiated maltreatment as
34.32 defined in section 626.557 or chapter 260E may be exchanged with the Department of
34.33 Health for purposes of completing background studies pursuant to section 144.057 and with

35.1 the Department of Corrections for purposes of completing background studies pursuant to
35.2 section 241.021.

35.3 (i) Data on individuals collected according to licensing activities under chapters 142B,
35.4 245A, and 245C, data on individuals collected by the commissioner of human services
35.5 according to investigations under section 626.557 and chapters 142B, 245A, 245B, 245C,
35.6 245D, and 260E may be shared with the Department of Human Rights, the Department of
35.7 Health, the Department of Corrections, the ombudsman for mental health and developmental
35.8 disabilities, and the individual's professional regulatory board when there is reason to believe
35.9 that laws or standards under the jurisdiction of those agencies may have been violated or
35.10 the information may otherwise be relevant to the board's regulatory jurisdiction. Background
35.11 study data on an individual who is the subject of a background study under chapter 245C
35.12 for a licensed service for which the commissioner of human services ~~or~~; the commissioner
35.13 of children, youth, and families; or the Direct Care and Treatment executive board is the
35.14 license holder may be shared with the commissioner and the commissioner's delegate by
35.15 the licensing division. Unless otherwise specified in this chapter, the identity of a reporter
35.16 of alleged maltreatment or licensing violations may not be disclosed.

35.17 (j) In addition to the notice of determinations required under sections 260E.24,
35.18 subdivisions 5 and 7, and 260E.30, subdivision 6, paragraphs (b), (c), (d), (e), and (f), if the
35.19 commissioner of children, youth, and families or the local social services agency has
35.20 determined that an individual is a substantiated perpetrator of maltreatment of a child based
35.21 on sexual abuse, as defined in section 260E.03, and the commissioner or local social services
35.22 agency knows that the individual is a person responsible for a child's care in another facility,
35.23 the commissioner or local social services agency shall notify the head of that facility of this
35.24 determination. The notification must include an explanation of the individual's available
35.25 appeal rights and the status of any appeal. If a notice is given under this paragraph, the
35.26 government entity making the notification shall provide a copy of the notice to the individual
35.27 who is the subject of the notice.

35.28 (k) All not public data collected, maintained, used, or disseminated under this subdivision
35.29 and subdivision 3 may be exchanged between the Department of Human Services, Licensing
35.30 Division, and the Department of Corrections for purposes of regulating services for which
35.31 the Department of Human Services and the Department of Corrections have regulatory
35.32 authority.

35.33 **EFFECTIVE DATE.** This section is effective July 1, 2025.

36.1 Sec. 3. Minnesota Statutes 2024, section 15.471, subdivision 6, is amended to read:

36.2 Subd. 6. **Party.** (a) Except as modified by paragraph (b), "party" means a person named
36.3 or admitted as a party, or seeking and entitled to be admitted as a party, in a court action or
36.4 contested case proceeding, or a person admitted by an administrative law judge for limited
36.5 purposes, and who is:

36.6 (1) an unincorporated business, partnership, corporation, association, or organization,
36.7 having not more than 500 employees at the time the civil action was filed or the contested
36.8 case proceeding was initiated; and

36.9 (2) an unincorporated business, partnership, corporation, association, or organization
36.10 whose annual revenues did not exceed \$7,000,000 at the time the civil action was filed or
36.11 the contested case proceeding was initiated.

36.12 (b) "Party" also includes a partner, officer, shareholder, member, or owner of an entity
36.13 described in paragraph (a), clauses (1) and (2).

36.14 (c) "Party" does not include a person providing services pursuant to licensure or
36.15 reimbursement on a cost basis by the Department of Health ~~or~~ the Department of Human
36.16 Services, or Direct Care and Treatment when that person is named or admitted or seeking
36.17 to be admitted as a party in a matter which involves the licensing or reimbursement rates,
36.18 procedures, or methodology applicable to those services.

36.19 **EFFECTIVE DATE.** This section is effective July 1, 2025.

36.20 Sec. 4. Minnesota Statutes 2024, section 43A.241, is amended to read:

36.21 **43A.241 INSURANCE CONTRIBUTIONS; FORMER EMPLOYEES.**

36.22 (a) This section applies to a person who:

36.23 (1) was employed by the commissioner of corrections, the commissioner of human
36.24 services, or the Direct Care and Treatment executive board;

36.25 (2) was covered by the correctional employee retirement plan under section 352.91 or
36.26 the general state employees retirement plan of the Minnesota State Retirement System as
36.27 defined in section 352.021;

36.28 (3) while employed under clause (1), was assaulted by:

36.29 (i) a person under correctional supervision for a criminal offense; or

36.30 (ii) a client or patient at the Minnesota Sex Offender Program, or at a state-operated
36.31 forensic services program as defined in section 352.91, subdivision 3j; and

37.1 (4) as a direct result of the assault under clause (3), was determined to be totally and
 37.2 permanently physically disabled under laws governing the Minnesota State Retirement
 37.3 System.

37.4 (b) For a person to whom this section applies, the commissioner of corrections, the
 37.5 commissioner of human services, or the Direct Care and Treatment executive board, using
 37.6 existing budget resources, must continue to make the employer contribution for medical
 37.7 and dental benefits under the State Employee Group Insurance Program after the person
 37.8 terminates state service. If the person had dependent coverage at the time of terminating
 37.9 state service, employer contributions for dependent coverage also must continue under this
 37.10 section. The employer contributions must be in the amount of the employer contribution
 37.11 for active state employees at the time each payment is made. The employer contributions
 37.12 must continue until the person reaches age 65, provided the person makes the required
 37.13 employee contributions, in the amount required of an active state employee, at the time and
 37.14 in the manner specified by the commissioner ~~or executive board~~.

37.15 **EFFECTIVE DATE.** This section is effective July 1, 2025.

37.16 Sec. 5. Minnesota Statutes 2024, section 62J.495, subdivision 2, is amended to read:

37.17 Subd. 2. **E-Health Advisory Committee.** (a) The commissioner shall establish an
 37.18 e-Health Advisory Committee governed by section 15.059 to advise the commissioner on
 37.19 the following matters:

37.20 (1) assessment of the adoption and effective use of health information technology by
 37.21 the state, licensed health care providers and facilities, and local public health agencies;

37.22 (2) recommendations for implementing a statewide interoperable health information
 37.23 infrastructure, to include estimates of necessary resources, and for determining standards
 37.24 for clinical data exchange, clinical support programs, patient privacy requirements, and
 37.25 maintenance of the security and confidentiality of individual patient data;

37.26 (3) recommendations for encouraging use of innovative health care applications using
 37.27 information technology and systems to improve patient care and reduce the cost of care,
 37.28 including applications relating to disease management and personal health management
 37.29 that enable remote monitoring of patients' conditions, especially those with chronic
 37.30 conditions; and

37.31 (4) other related issues as requested by the commissioner.

37.32 (b) The members of the e-Health Advisory Committee shall include the commissioners,
 37.33 or commissioners' designees, of health, human services, administration, and commerce; a

38.1 representative of the Direct Care and Treatment executive board; and additional members
 38.2 to be appointed by the commissioner to include persons representing Minnesota's local
 38.3 public health agencies, licensed hospitals and other licensed facilities and providers, private
 38.4 purchasers, the medical and nursing professions, health insurers and health plans, the state
 38.5 quality improvement organization, academic and research institutions, consumer advisory
 38.6 organizations with an interest and expertise in health information technology, and other
 38.7 stakeholders as identified by the commissioner to fulfill the requirements of section 3013,
 38.8 paragraph (g), of the HITECH Act.

38.9 (c) This subdivision expires June 30, 2031.

38.10 **EFFECTIVE DATE.** This section is effective July 1, 2025.

38.11 Sec. 6. Minnesota Statutes 2024, section 97A.441, subdivision 3, is amended to read:

38.12 Subd. 3. **Angling; residents of state institutions.** The commissioner may issue a license,
 38.13 without a fee, to take fish by angling to a person that is a ward of the commissioner of human
 38.14 services and a resident of a state institution under the control of the Direct Care and Treatment
 38.15 executive board upon application by the commissioner of human services.

38.16 **EFFECTIVE DATE.** This section is effective July 1, 2025.

38.17 Sec. 7. Minnesota Statutes 2024, section 144.53, is amended to read:

38.18 **144.53 FEES.**

38.19 Each application for a license, or renewal thereof, to operate a hospital, sanitarium or
 38.20 other institution for the hospitalization or care of human beings, within the meaning of
 38.21 sections 144.50 to 144.56, except applications by the Minnesota Veterans Home, the
 38.22 ~~commissioner of human services~~ Direct Care and Treatment executive board for the licensing
 38.23 of state institutions, ~~or by the administrator~~ for the licensing of the University of Minnesota
 38.24 hospitals, shall be accompanied by a fee to be prescribed by the state commissioner of health
 38.25 pursuant to section 144.122. No fee shall be refunded. Licenses shall expire and shall be
 38.26 renewed as prescribed by the commissioner of health pursuant to section 144.122.

38.27 No license granted hereunder shall be assignable or transferable.

38.28 **EFFECTIVE DATE.** This section is effective July 1, 2025.

38.29 Sec. 8. Minnesota Statutes 2024, section 144.651, subdivision 2, is amended to read:

38.30 Subd. 2. **Definitions.** (a) For the purposes of this section, "patient" means a person who
 38.31 is admitted to an acute care inpatient facility for a continuous period longer than 24 hours,

39.1 for the purpose of diagnosis or treatment bearing on the physical or mental health of that
 39.2 person. For purposes of subdivisions 4 to 9, 12, 13, 15, 16, and 18 to 20, "patient" also
 39.3 means a person who receives health care services at an outpatient surgical center or at a
 39.4 birth center licensed under section 144.615. "Patient" also means a minor who is admitted
 39.5 to a residential program as defined in ~~section 253C.01~~ paragraph (c). For purposes of
 39.6 subdivisions 1, 3 to 16, 18, 20 and 30, "patient" also means any person who is receiving
 39.7 mental health treatment on an outpatient basis or in a community support program or other
 39.8 community-based program.

39.9 (b) "Resident" means a person who is admitted to a nonacute care facility including
 39.10 extended care facilities, nursing homes, and boarding care homes for care required because
 39.11 of prolonged mental or physical illness or disability, recovery from injury or disease, or
 39.12 advancing age. For purposes of all subdivisions except subdivisions 28 and 29, "resident"
 39.13 also means a person who is admitted to a facility licensed as a board and lodging facility
 39.14 under Minnesota Rules, parts 4625.0100 to 4625.2355, a boarding care home under sections
 39.15 144.50 to 144.56, or a supervised living facility under Minnesota Rules, parts 4665.0100
 39.16 to 4665.9900, and which operates a rehabilitation program licensed under chapter 245G or
 39.17 245I, or Minnesota Rules, parts 9530.6510 to 9530.6590.

39.18 (c) "Residential program" means (1) a hospital-based primary treatment program that
 39.19 provides residential treatment to minors with emotional disturbance as defined by the
 39.20 Comprehensive Children's Mental Health Act in sections 245.487 to 245.4889, or (2) a
 39.21 facility licensed by the state under Minnesota Rules, parts 2960.0580 to 2960.0700, to
 39.22 provide services to minors on a 24-hour basis.

39.23 **EFFECTIVE DATE.** This section is effective July 1, 2025.

39.24 Sec. 9. Minnesota Statutes 2024, section 144.651, subdivision 4, is amended to read:

39.25 Subd. 4. **Information about rights.** Patients and residents shall, at admission, be told
 39.26 that there are legal rights for their protection during their stay at the facility or throughout
 39.27 their course of treatment and maintenance in the community and that these are described
 39.28 in an accompanying written statement of the applicable rights and responsibilities set forth
 39.29 in this section. In the case of patients admitted to residential programs ~~as defined in section~~
 39.30 ~~253C.01~~, the written statement shall also describe the right of a person 16 years old or older
 39.31 to request release as provided in section 253B.04, subdivision 2, and shall list the names
 39.32 and telephone numbers of individuals and organizations that provide advocacy and legal
 39.33 services for patients in residential programs. Reasonable accommodations shall be made
 39.34 for people who have communication disabilities and those who speak a language other than

40.1 English. Current facility policies, inspection findings of state and local health authorities,
40.2 and further explanation of the written statement of rights shall be available to patients,
40.3 residents, their guardians or their chosen representatives upon reasonable request to the
40.4 administrator or other designated staff person, consistent with chapter 13, the Data Practices
40.5 Act, and section 626.557, relating to vulnerable adults.

40.6 **EFFECTIVE DATE.** This section is effective July 1, 2025.

40.7 Sec. 10. Minnesota Statutes 2024, section 144.651, subdivision 20, is amended to read:

40.8 Subd. 20. **Grievances.** Patients and residents shall be encouraged and assisted, throughout
40.9 their stay in a facility or their course of treatment, to understand and exercise their rights
40.10 as patients, residents, and citizens. Patients and residents may voice grievances and
40.11 recommend changes in policies and services to facility staff and others of their choice, free
40.12 from restraint, interference, coercion, discrimination, or reprisal, including threat of discharge.
40.13 Notice of the grievance procedure of the facility or program, as well as addresses and
40.14 telephone numbers for the Office of Health Facility Complaints and the area nursing home
40.15 ombudsman pursuant to the Older Americans Act, section 307(a)(12) shall be posted in a
40.16 conspicuous place.

40.17 Every acute care inpatient facility, every residential program ~~as defined in section~~
40.18 ~~253C.01~~, every nonacute care facility, and every facility employing more than two people
40.19 that provides outpatient mental health services shall have a written internal grievance
40.20 procedure that, at a minimum, sets forth the process to be followed; specifies time limits,
40.21 including time limits for facility response; provides for the patient or resident to have the
40.22 assistance of an advocate; requires a written response to written grievances; and provides
40.23 for a timely decision by an impartial decision maker if the grievance is not otherwise resolved.
40.24 Compliance by hospitals, residential programs ~~as defined in section 253C.01~~ which are
40.25 hospital-based primary treatment programs, and outpatient surgery centers with section
40.26 144.691 and compliance by health maintenance organizations with section 62D.11 is deemed
40.27 to be compliance with the requirement for a written internal grievance procedure.

40.28 **EFFECTIVE DATE.** This section is effective July 1, 2025.

40.29 Sec. 11. Minnesota Statutes 2024, section 144.651, subdivision 31, is amended to read:

40.30 Subd. 31. **Isolation and restraints.** A minor patient who has been admitted to a
40.31 residential program ~~as defined in section 253C.01~~ has the right to be free from physical
40.32 restraint and isolation except in emergency situations involving a likelihood that the patient
40.33 will physically harm the patient's self or others. These procedures may not be used for

41.1 disciplinary purposes, to enforce program rules, or for the convenience of staff. Isolation
 41.2 or restraint may be used only upon the prior authorization of a physician, advanced practice
 41.3 registered nurse, physician assistant, psychiatrist, or licensed psychologist, only when less
 41.4 restrictive measures are ineffective or not feasible and only for the shortest time necessary.

41.5 **EFFECTIVE DATE.** This section is effective July 1, 2025.

41.6 Sec. 12. Minnesota Statutes 2024, section 144.651, subdivision 32, is amended to read:

41.7 Subd. 32. **Treatment plan.** A minor patient who has been admitted to a residential
 41.8 program ~~as defined in section 253C.01~~ has the right to a written treatment plan that describes
 41.9 in behavioral terms the case problems, the precise goals of the plan, and the procedures that
 41.10 will be utilized to minimize the length of time that the minor requires inpatient treatment.
 41.11 The plan shall also state goals for release to a less restrictive facility and follow-up treatment
 41.12 measures and services, if appropriate. To the degree possible, the minor patient and the
 41.13 minor patient's parents or guardian shall be involved in the development of the treatment
 41.14 and discharge plan.

41.15 **EFFECTIVE DATE.** This section is effective July 1, 2025.

41.16 Sec. 13. Minnesota Statutes 2024, section 144A.07, is amended to read:

41.17 **144A.07 FEES.**

41.18 Each application for a license to operate a nursing home, or for a renewal of license,
 41.19 except an application by the Minnesota Veterans Home or the ~~commissioner of human~~
 41.20 ~~services~~ Direct Care and Treatment executive board for the licensing of state institutions,
 41.21 shall be accompanied by a fee to be prescribed by the commissioner of health pursuant to
 41.22 section 144.122. No fee shall be refunded.

41.23 **EFFECTIVE DATE.** This section is effective July 1, 2025.

41.24 Sec. 14. Minnesota Statutes 2024, section 146A.08, subdivision 4, is amended to read:

41.25 Subd. 4. **Examination; access to medical data.** (a) If the commissioner has probable
 41.26 cause to believe that an unlicensed complementary and alternative health care practitioner
 41.27 has engaged in conduct prohibited by subdivision 1, paragraph (h), (i), (j), or (k), the
 41.28 commissioner may issue an order directing the practitioner to submit to a mental or physical
 41.29 examination or substance use disorder evaluation. For the purpose of this subdivision, every
 41.30 unlicensed complementary and alternative health care practitioner is deemed to have
 41.31 consented to submit to a mental or physical examination or substance use disorder evaluation

42.1 when ordered to do so in writing by the commissioner and further to have waived all
42.2 objections to the admissibility of the testimony or examination reports of the health care
42.3 provider performing the examination or evaluation on the grounds that the same constitute
42.4 a privileged communication. Failure of an unlicensed complementary and alternative health
42.5 care practitioner to submit to an examination or evaluation when ordered, unless the failure
42.6 was due to circumstances beyond the practitioner's control, constitutes an admission that
42.7 the unlicensed complementary and alternative health care practitioner violated subdivision
42.8 1, paragraph (h), (i), (j), or (k), based on the factual specifications in the examination or
42.9 evaluation order and may result in a default and final disciplinary order being entered after
42.10 a contested case hearing. An unlicensed complementary and alternative health care
42.11 practitioner affected under this paragraph shall at reasonable intervals be given an opportunity
42.12 to demonstrate that the practitioner can resume the provision of complementary and
42.13 alternative health care practices with reasonable safety to clients. In any proceeding under
42.14 this paragraph, neither the record of proceedings nor the orders entered by the commissioner
42.15 shall be used against an unlicensed complementary and alternative health care practitioner
42.16 in any other proceeding.

42.17 (b) In addition to ordering a physical or mental examination or substance use disorder
42.18 evaluation, the commissioner may, notwithstanding section 13.384; 144.651; 595.02; or
42.19 any other law limiting access to medical or other health data, obtain medical data and health
42.20 records relating to an unlicensed complementary and alternative health care practitioner
42.21 without the practitioner's consent if the commissioner has probable cause to believe that a
42.22 practitioner has engaged in conduct prohibited by subdivision 1, paragraph (h), (i), (j), or
42.23 (k). The medical data may be requested from a provider as defined in section 144.291,
42.24 subdivision 2, paragraph (i), an insurance company, or a government agency, including the
42.25 Department of Human Services and Direct Care and Treatment. A provider, insurance
42.26 company, or government agency shall comply with any written request of the commissioner
42.27 under this subdivision and is not liable in any action for damages for releasing the data
42.28 requested by the commissioner if the data are released pursuant to a written request under
42.29 this subdivision, unless the information is false and the person or organization giving the
42.30 information knew or had reason to believe the information was false. Information obtained
42.31 under this subdivision is private data under section 13.41.

42.32 **EFFECTIVE DATE.** This section is effective July 1, 2025.

43.1 Sec. 15. Minnesota Statutes 2024, section 147.091, subdivision 6, is amended to read:

43.2 Subd. 6. **Mental examination; access to medical data.** (a) If the board has probable
43.3 cause to believe that a regulated person comes under subdivision 1, paragraph (1), it may
43.4 direct the person to submit to a mental or physical examination. For the purpose of this
43.5 subdivision every regulated person is deemed to have consented to submit to a mental or
43.6 physical examination when directed in writing by the board and further to have waived all
43.7 objections to the admissibility of the examining physicians' testimony or examination reports
43.8 on the ground that the same constitute a privileged communication. Failure of a regulated
43.9 person to submit to an examination when directed constitutes an admission of the allegations
43.10 against the person, unless the failure was due to circumstance beyond the person's control,
43.11 in which case a default and final order may be entered without the taking of testimony or
43.12 presentation of evidence. A regulated person affected under this paragraph shall at reasonable
43.13 intervals be given an opportunity to demonstrate that the person can resume the competent
43.14 practice of the regulated profession with reasonable skill and safety to the public.

43.15 In any proceeding under this paragraph, neither the record of proceedings nor the orders
43.16 entered by the board shall be used against a regulated person in any other proceeding.

43.17 (b) In addition to ordering a physical or mental examination, the board may,
43.18 notwithstanding section 13.384, 144.651, or any other law limiting access to medical or
43.19 other health data, obtain medical data and health records relating to a regulated person or
43.20 applicant without the person's or applicant's consent if the board has probable cause to
43.21 believe that a regulated person comes under subdivision 1, paragraph (1). The medical data
43.22 may be requested from a provider, as defined in section 144.291, subdivision 2, paragraph
43.23 (i), an insurance company, or a government agency, including the Department of Human
43.24 Services and Direct Care and Treatment. A provider, insurance company, or government
43.25 agency shall comply with any written request of the board under this subdivision and is not
43.26 liable in any action for damages for releasing the data requested by the board if the data are
43.27 released pursuant to a written request under this subdivision, unless the information is false
43.28 and the provider giving the information knew, or had reason to believe, the information was
43.29 false. Information obtained under this subdivision is classified as private under sections
43.30 13.01 to 13.87.

43.31 **EFFECTIVE DATE.** This section is effective July 1, 2025.

43.32 Sec. 16. Minnesota Statutes 2024, section 147A.13, subdivision 6, is amended to read:

43.33 Subd. 6. **Mental examination; access to medical data.** (a) If the board has probable
43.34 cause to believe that a physician assistant comes under subdivision 1, clause (1), it may

44.1 direct the physician assistant to submit to a mental or physical examination. For the purpose
44.2 of this subdivision, every physician assistant licensed under this chapter is deemed to have
44.3 consented to submit to a mental or physical examination when directed in writing by the
44.4 board and further to have waived all objections to the admissibility of the examining
44.5 physicians' testimony or examination reports on the ground that the same constitute a
44.6 privileged communication. Failure of a physician assistant to submit to an examination
44.7 when directed constitutes an admission of the allegations against the physician assistant,
44.8 unless the failure was due to circumstance beyond the physician assistant's control, in which
44.9 case a default and final order may be entered without the taking of testimony or presentation
44.10 of evidence. A physician assistant affected under this subdivision shall at reasonable intervals
44.11 be given an opportunity to demonstrate that the physician assistant can resume competent
44.12 practice with reasonable skill and safety to patients. In any proceeding under this subdivision,
44.13 neither the record of proceedings nor the orders entered by the board shall be used against
44.14 a physician assistant in any other proceeding.

44.15 (b) In addition to ordering a physical or mental examination, the board may,
44.16 notwithstanding sections 13.384, 144.651, or any other law limiting access to medical or
44.17 other health data, obtain medical data and health records relating to a licensee or applicant
44.18 without the licensee's or applicant's consent if the board has probable cause to believe that
44.19 a physician assistant comes under subdivision 1, clause (1).

44.20 The medical data may be requested from a provider, as defined in section 144.291,
44.21 subdivision 2, paragraph (i), an insurance company, or a government agency, including the
44.22 Department of Human Services and Direct Care and Treatment. A provider, insurance
44.23 company, or government agency shall comply with any written request of the board under
44.24 this subdivision and is not liable in any action for damages for releasing the data requested
44.25 by the board if the data are released pursuant to a written request under this subdivision,
44.26 unless the information is false and the provider giving the information knew, or had reason
44.27 to believe, the information was false. Information obtained under this subdivision is classified
44.28 as private under chapter 13.

44.29 **EFFECTIVE DATE.** This section is effective July 1, 2025.

44.30 Sec. 17. Minnesota Statutes 2024, section 148.10, subdivision 1, is amended to read:

44.31 Subdivision 1. **Grounds.** (a) The state Board of Chiropractic Examiners may refuse to
44.32 grant, or may revoke, suspend, condition, limit, restrict or qualify a license to practice
44.33 chiropractic, or may cause the name of a person licensed to be removed from the records
44.34 in the office of the court administrator of the district court for:

- 45.1 (1) advertising that is false or misleading; that violates a rule of the board; or that claims
45.2 the cure of any condition or disease;
- 45.3 (2) the employment of fraud or deception in applying for a license or in passing the
45.4 examination provided for in section 148.06 or conduct which subverts or attempts to subvert
45.5 the licensing examination process;
- 45.6 (3) the practice of chiropractic under a false or assumed name or the impersonation of
45.7 another practitioner of like or different name;
- 45.8 (4) the conviction of a crime involving moral turpitude;
- 45.9 (5) the conviction, during the previous five years, of a felony reasonably related to the
45.10 practice of chiropractic;
- 45.11 (6) habitual intemperance in the use of alcohol or drugs;
- 45.12 (7) practicing under a license which has not been renewed;
- 45.13 (8) advanced physical or mental disability;
- 45.14 (9) the revocation or suspension of a license to practice chiropractic; or other disciplinary
45.15 action against the licensee; or the denial of an application for a license by the proper licensing
45.16 authority of another state, territory or country; or failure to report to the board that charges
45.17 regarding the person's license have been brought in another state or jurisdiction;
- 45.18 (10) the violation of, or failure to comply with, the provisions of sections 148.01 to
45.19 148.105, the rules of the state Board of Chiropractic Examiners, or a lawful order of the
45.20 board;
- 45.21 (11) unprofessional conduct;
- 45.22 (12) being unable to practice chiropractic with reasonable skill and safety to patients by
45.23 reason of illness, professional incompetence, senility, drunkenness, use of drugs, narcotics,
45.24 chemicals or any other type of material, or as a result of any mental or physical condition,
45.25 including deterioration through the aging process or loss of motor skills. If the board has
45.26 probable cause to believe that a person comes within this clause, it shall direct the person
45.27 to submit to a mental or physical examination. For the purpose of this clause, every person
45.28 licensed under this chapter shall be deemed to have given consent to submit to a mental or
45.29 physical examination when directed in writing by the board and further to have waived all
45.30 objections to the admissibility of the examining physicians' testimony or examination reports
45.31 on the ground that the same constitute a privileged communication. Failure of a person to
45.32 submit to such examination when directed shall constitute an admission of the allegations,

46.1 unless the failure was due to circumstances beyond the person's control, in which case a
46.2 default and final order may be entered without the taking of testimony or presentation of
46.3 evidence. A person affected under this clause shall at reasonable intervals be afforded an
46.4 opportunity to demonstrate that the person can resume the competent practice of chiropractic
46.5 with reasonable skill and safety to patients.

46.6 In addition to ordering a physical or mental examination, the board may, notwithstanding
46.7 section 13.384, 144.651, or any other law limiting access to health data, obtain health data
46.8 and health records relating to a licensee or applicant without the licensee's or applicant's
46.9 consent if the board has probable cause to believe that a doctor of chiropractic comes under
46.10 this clause. The health data may be requested from a provider, as defined in section 144.291,
46.11 subdivision 2, paragraph (i), an insurance company, or a government agency, including the
46.12 Department of Human Services and Direct Care and Treatment. A provider, insurance
46.13 company, or government agency shall comply with any written request of the board under
46.14 this subdivision and is not liable in any action for damages for releasing the data requested
46.15 by the board if the data are released pursuant to a written request under this subdivision,
46.16 unless the information is false and the provider or entity giving the information knew, or
46.17 had reason to believe, the information was false. Information obtained under this subdivision
46.18 is classified as private under sections 13.01 to 13.87.

46.19 In any proceeding under this clause, neither the record of proceedings nor the orders
46.20 entered by the board shall be used against a person in any other proceeding;

46.21 (13) aiding or abetting an unlicensed person in the practice of chiropractic, except that
46.22 it is not a violation of this clause for a doctor of chiropractic to employ, supervise, or delegate
46.23 functions to a qualified person who may or may not be required to obtain a license or
46.24 registration to provide health services if that person is practicing within the scope of the
46.25 license or registration or delegated authority;

46.26 (14) improper management of health records, including failure to maintain adequate
46.27 health records as described in clause (18), to comply with a patient's request made under
46.28 sections 144.291 to 144.298 or to furnish a health record or report required by law;

46.29 (15) failure to make reports required by section 148.102, subdivisions 2 and 5, or to
46.30 cooperate with an investigation of the board as required by section 148.104, or the submission
46.31 of a knowingly false report against another doctor of chiropractic under section 148.10,
46.32 subdivision 3;

46.33 (16) splitting fees, or promising to pay a portion of a fee or a commission, or accepting
46.34 a rebate;

47.1 (17) revealing a privileged communication from or relating to a patient, except when
47.2 otherwise required or permitted by law;

47.3 (18) failing to keep written chiropractic records justifying the course of treatment of the
47.4 patient, including, but not limited to, patient histories, examination results, test results, and
47.5 x-rays. Unless otherwise required by law, written records need not be retained for more
47.6 than seven years and x-rays need not be retained for more than four years;

47.7 (19) exercising influence on the patient or client in such a manner as to exploit the patient
47.8 or client for financial gain of the licensee or of a third party which shall include, but not be
47.9 limited to, the promotion or sale of services, goods, or appliances;

47.10 (20) gross or repeated malpractice or the failure to practice chiropractic at a level of
47.11 care, skill, and treatment which is recognized by a reasonably prudent chiropractor as being
47.12 acceptable under similar conditions and circumstances; or

47.13 (21) delegating professional responsibilities to a person when the licensee delegating
47.14 such responsibilities knows or has reason to know that the person is not qualified by training,
47.15 experience, or licensure to perform them.

47.16 (b) For the purposes of paragraph (a), clause (2), conduct that subverts or attempts to
47.17 subvert the licensing examination process includes, but is not limited to: (1) conduct that
47.18 violates the security of the examination materials, such as removing examination materials
47.19 from the examination room or having unauthorized possession of any portion of a future,
47.20 current, or previously administered licensing examination; (2) conduct that violates the
47.21 standard of test administration, such as communicating with another examinee during
47.22 administration of the examination, copying another examinee's answers, permitting another
47.23 examinee to copy one's answers, or possessing unauthorized materials; or (3) impersonating
47.24 an examinee or permitting an impersonator to take the examination on one's own behalf.

47.25 (c) For the purposes of paragraph (a), clauses (4) and (5), conviction as used in these
47.26 subdivisions includes a conviction of an offense that if committed in this state would be
47.27 deemed a felony without regard to its designation elsewhere, or a criminal proceeding where
47.28 a finding or verdict of guilt is made or returned but the adjudication of guilt is either withheld
47.29 or not entered.

47.30 (d) For the purposes of paragraph (a), clauses (4), (5), and (6), a copy of the judgment
47.31 or proceeding under seal of the administrator of the court or of the administrative agency
47.32 which entered the same shall be admissible into evidence without further authentication
47.33 and shall constitute prima facie evidence of its contents.

48.1 (e) For the purposes of paragraph (a), clause (11), unprofessional conduct means any
48.2 unethical, deceptive or deleterious conduct or practice harmful to the public, any departure
48.3 from or the failure to conform to the minimal standards of acceptable chiropractic practice,
48.4 or a willful or careless disregard for the health, welfare or safety of patients, in any of which
48.5 cases proof of actual injury need not be established. Unprofessional conduct shall include,
48.6 but not be limited to, the following acts of a chiropractor:

48.7 (1) gross ignorance of, or incompetence in, the practice of chiropractic;

48.8 (2) engaging in conduct with a patient that is sexual or may reasonably be interpreted
48.9 by the patient as sexual, or in any verbal behavior that is seductive or sexually demeaning
48.10 to a patient;

48.11 (3) performing unnecessary services;

48.12 (4) charging a patient an unconscionable fee or charging for services not rendered;

48.13 (5) directly or indirectly engaging in threatening, dishonest, or misleading fee collection
48.14 techniques;

48.15 (6) perpetrating fraud upon patients, third-party payors, or others, relating to the practice
48.16 of chiropractic, including violations of the Medicare or Medicaid laws or state medical
48.17 assistance laws;

48.18 (7) advertising that the licensee will accept for services rendered assigned payments
48.19 from any third-party payer as payment in full, if the effect is to give the impression of
48.20 eliminating the need of payment by the patient of any required deductible or co-payment
48.21 applicable in the patient's health benefit plan. As used in this clause, "advertise" means
48.22 solicitation by the licensee by means of handbills, posters, circulars, motion pictures, radio,
48.23 newspapers, television, or in any other manner. In addition to the board's power to punish
48.24 for violations of this clause, violation of this clause is also a misdemeanor;

48.25 (8) accepting for services rendered assigned payments from any third-party payer as
48.26 payment in full, if the effect is to eliminate the need of payment by the patient of any required
48.27 deductible or co-payment applicable in the patient's health benefit plan, except as hereinafter
48.28 provided; and

48.29 (9) any other act that the board by rule may define.

48.30 **EFFECTIVE DATE.** This section is effective July 1, 2025.

49.1 Sec. 18. Minnesota Statutes 2024, section 148.261, subdivision 5, is amended to read:

49.2 Subd. 5. **Examination; access to medical data.** The board may take the following
49.3 actions if it has probable cause to believe that grounds for disciplinary action exist under
49.4 subdivision 1, clause (9) or (10):

49.5 (a) It may direct the applicant or nurse to submit to a mental or physical examination or
49.6 substance use disorder evaluation. For the purpose of this subdivision, when a nurse licensed
49.7 under sections 148.171 to 148.285 is directed in writing by the board to submit to a mental
49.8 or physical examination or substance use disorder evaluation, that person is considered to
49.9 have consented and to have waived all objections to admissibility on the grounds of privilege.
49.10 Failure of the applicant or nurse to submit to an examination when directed constitutes an
49.11 admission of the allegations against the applicant or nurse, unless the failure was due to
49.12 circumstances beyond the person's control, and the board may enter a default and final order
49.13 without taking testimony or allowing evidence to be presented. A nurse affected under this
49.14 paragraph shall, at reasonable intervals, be given an opportunity to demonstrate that the
49.15 competent practice of professional, advanced practice registered, or practical nursing can
49.16 be resumed with reasonable skill and safety to patients. Neither the record of proceedings
49.17 nor the orders entered by the board in a proceeding under this paragraph, may be used
49.18 against a nurse in any other proceeding.

49.19 (b) It may, notwithstanding sections 13.384, 144.651, 595.02, or any other law limiting
49.20 access to medical or other health data, obtain medical data and health records relating to a
49.21 registered nurse, advanced practice registered nurse, licensed practical nurse, or applicant
49.22 for a license without that person's consent. The medical data may be requested from a
49.23 provider, as defined in section 144.291, subdivision 2, paragraph (i), an insurance company,
49.24 or a government agency, including the Department of Human Services and Direct Care and
49.25 Treatment. A provider, insurance company, or government agency shall comply with any
49.26 written request of the board under this subdivision and is not liable in any action for damages
49.27 for releasing the data requested by the board if the data are released pursuant to a written
49.28 request under this subdivision unless the information is false and the provider giving the
49.29 information knew, or had reason to believe, the information was false. Information obtained
49.30 under this subdivision is classified as private data on individuals as defined in section 13.02.

49.31 **EFFECTIVE DATE.** This section is effective July 1, 2025.

50.1 Sec. 19. Minnesota Statutes 2024, section 148.754, is amended to read:

50.2 **148.754 EXAMINATION; ACCESS TO MEDICAL DATA.**

50.3 (a) If the board has probable cause to believe that a licensee comes under section 148.75,
50.4 paragraph (a), clause (2), it may direct the licensee to submit to a mental or physical
50.5 examination. For the purpose of this paragraph, every licensee is deemed to have consented
50.6 to submit to a mental or physical examination when directed in writing by the board and
50.7 further to have waived all objections to the admissibility of the examining physicians'
50.8 testimony or examination reports on the ground that they constitute a privileged
50.9 communication. Failure of the licensee to submit to an examination when directed constitutes
50.10 an admission of the allegations against the person, unless the failure was due to circumstances
50.11 beyond the person's control, in which case a default and final order may be entered without
50.12 the taking of testimony or presentation of evidence. A licensee affected under this paragraph
50.13 shall, at reasonable intervals, be given an opportunity to demonstrate that the person can
50.14 resume the competent practice of physical therapy with reasonable skill and safety to the
50.15 public.

50.16 (b) In any proceeding under paragraph (a), neither the record of proceedings nor the
50.17 orders entered by the board shall be used against a licensee in any other proceeding.

50.18 (c) In addition to ordering a physical or mental examination, the board may,
50.19 notwithstanding section 13.384, 144.651, or any other law limiting access to medical or
50.20 other health data, obtain medical data and health records relating to a licensee or applicant
50.21 without the person's or applicant's consent if the board has probable cause to believe that
50.22 the person comes under paragraph (a). The medical data may be requested from a provider,
50.23 as defined in section 144.291, subdivision 2, paragraph (i), an insurance company, or a
50.24 government agency, including the Department of Human Services and Direct Care and
50.25 Treatment. A provider, insurance company, or government agency shall comply with any
50.26 written request of the board under this paragraph and is not liable in any action for damages
50.27 for releasing the data requested by the board if the data are released pursuant to a written
50.28 request under this paragraph, unless the information is false and the provider giving the
50.29 information knew, or had reason to believe, the information was false. Information obtained
50.30 under this paragraph is classified as private under sections 13.01 to 13.87.

50.31 **EFFECTIVE DATE.** This section is effective July 1, 2025.

51.1 Sec. 20. Minnesota Statutes 2024, section 148B.5905, is amended to read:

51.2 **148B.5905 MENTAL, PHYSICAL, OR SUBSTANCE USE DISORDER**
 51.3 **EXAMINATION OR EVALUATION; ACCESS TO MEDICAL DATA.**

51.4 (a) If the board has probable cause to believe section 148B.59, paragraph (a), clause (9),
 51.5 applies to a licensee or applicant, the board may direct the person to submit to a mental,
 51.6 physical, or substance use disorder examination or evaluation. For the purpose of this section,
 51.7 every licensee and applicant is deemed to have consented to submit to a mental, physical,
 51.8 or substance use disorder examination or evaluation when directed in writing by the board
 51.9 and to have waived all objections to the admissibility of the examining professionals'
 51.10 testimony or examination reports on the grounds that the testimony or examination reports
 51.11 constitute a privileged communication. Failure of a licensee or applicant to submit to an
 51.12 examination when directed by the board constitutes an admission of the allegations against
 51.13 the person, unless the failure was due to circumstances beyond the person's control, in which
 51.14 case a default and final order may be entered without the taking of testimony or presentation
 51.15 of evidence. A licensee or applicant affected under this paragraph shall at reasonable intervals
 51.16 be given an opportunity to demonstrate that the person can resume the competent practice
 51.17 of licensed professional counseling with reasonable skill and safety to the public. In any
 51.18 proceeding under this paragraph, neither the record of proceedings nor the orders entered
 51.19 by the board shall be used against a licensee or applicant in any other proceeding.

51.20 (b) In addition to ordering a physical or mental examination, the board may,
 51.21 notwithstanding section 13.384, 144.651, or any other law limiting access to medical or
 51.22 other health data, obtain medical data and health records relating to a licensee or applicant
 51.23 without the licensee's or applicant's consent if the board has probable cause to believe that
 51.24 section 148B.59, paragraph (a), clause (9), applies to the licensee or applicant. The medical
 51.25 data may be requested from a provider, as defined in section 144.291, subdivision 2,
 51.26 paragraph (i); an insurance company; or a government agency, including the Department
 51.27 of Human Services and Direct Care and Treatment. A provider, insurance company, or
 51.28 government agency shall comply with any written request of the board under this subdivision
 51.29 and is not liable in any action for damages for releasing the data requested by the board if
 51.30 the data are released pursuant to a written request under this subdivision, unless the
 51.31 information is false and the provider giving the information knew, or had reason to believe,
 51.32 the information was false. Information obtained under this subdivision is classified as private
 51.33 under sections 13.01 to 13.87.

51.34 **EFFECTIVE DATE.** This section is effective July 1, 2025.

52.1 Sec. 21. Minnesota Statutes 2024, section 148F.09, subdivision 6, is amended to read:

52.2 Subd. 6. **Mental, physical, or chemical health evaluation.** (a) If the board has probable
52.3 cause to believe that an applicant or licensee is unable to practice alcohol and drug counseling
52.4 with reasonable skill and safety due to a mental or physical illness or condition, the board
52.5 may direct the individual to submit to a mental, physical, or chemical dependency
52.6 examination or evaluation.

52.7 (1) For the purposes of this section, every licensee and applicant is deemed to have
52.8 consented to submit to a mental, physical, or chemical dependency examination or evaluation
52.9 when directed in writing by the board and to have waived all objections to the admissibility
52.10 of the examining professionals' testimony or examination reports on the grounds that the
52.11 testimony or examination reports constitute a privileged communication.

52.12 (2) Failure of a licensee or applicant to submit to an examination when directed by the
52.13 board constitutes an admission of the allegations against the person, unless the failure was
52.14 due to circumstances beyond the person's control, in which case a default and final order
52.15 may be entered without the taking of testimony or presentation of evidence.

52.16 (3) A licensee or applicant affected under this subdivision shall at reasonable intervals
52.17 be given an opportunity to demonstrate that the licensee or applicant can resume the
52.18 competent practice of licensed alcohol and drug counseling with reasonable skill and safety
52.19 to the public.

52.20 (4) In any proceeding under this subdivision, neither the record of proceedings nor the
52.21 orders entered by the board shall be used against the licensee or applicant in any other
52.22 proceeding.

52.23 (b) In addition to ordering a physical or mental examination, the board may,
52.24 notwithstanding section 13.384 or sections 144.291 to 144.298, or any other law limiting
52.25 access to medical or other health data, obtain medical data and health records relating to a
52.26 licensee or applicant without the licensee's or applicant's consent if the board has probable
52.27 cause to believe that subdivision 1, clause (9), applies to the licensee or applicant. The
52.28 medical data may be requested from:

52.29 (1) a provider, as defined in section 144.291, subdivision 2, paragraph (i);

52.30 (2) an insurance company; or

52.31 (3) a government agency, including the Department of Human Services and Direct Care
52.32 and Treatment.

53.1 (c) A provider, insurance company, or government agency must comply with any written
 53.2 request of the board under this subdivision and is not liable in any action for damages for
 53.3 releasing the data requested by the board if the data are released pursuant to a written request
 53.4 under this subdivision, unless the information is false and the provider giving the information
 53.5 knew, or had reason to believe, the information was false.

53.6 (d) Information obtained under this subdivision is private data on individuals as defined
 53.7 in section 13.02, subdivision 12.

53.8 **EFFECTIVE DATE.** This section is effective July 1, 2025.

53.9 Sec. 22. Minnesota Statutes 2024, section 150A.08, subdivision 6, is amended to read:

53.10 Subd. 6. **Medical records.** Notwithstanding contrary provisions of sections 13.384 and
 53.11 144.651 or any other statute limiting access to medical or other health data, the board may
 53.12 obtain medical data and health records of a licensee or applicant without the licensee's or
 53.13 applicant's consent if the information is requested by the board as part of the process specified
 53.14 in subdivision 5. The medical data may be requested from a provider, as defined in section
 53.15 144.291, subdivision 2, paragraph (h), an insurance company, or a government agency,
 53.16 including the Department of Human Services and Direct Care and Treatment. A provider,
 53.17 insurance company, or government agency shall comply with any written request of the
 53.18 board under this subdivision and shall not be liable in any action for damages for releasing
 53.19 the data requested by the board if the data are released pursuant to a written request under
 53.20 this subdivision, unless the information is false and the provider giving the information
 53.21 knew, or had reason to believe, the information was false. Information obtained under this
 53.22 subdivision shall be classified as private under the Minnesota Government Data Practices
 53.23 Act.

53.24 **EFFECTIVE DATE.** This section is effective July 1, 2025.

53.25 Sec. 23. Minnesota Statutes 2024, section 151.071, subdivision 10, is amended to read:

53.26 Subd. 10. **Mental examination; access to medical data.** (a) If the board receives a
 53.27 complaint and has probable cause to believe that an individual licensed or registered by the
 53.28 board falls under subdivision 2, clause (14), it may direct the individual to submit to a mental
 53.29 or physical examination. For the purpose of this subdivision, every licensed or registered
 53.30 individual is deemed to have consented to submit to a mental or physical examination when
 53.31 directed in writing by the board and further to have waived all objections to the admissibility
 53.32 of the examining practitioner's testimony or examination reports on the grounds that the
 53.33 same constitute a privileged communication. Failure of a licensed or registered individual

54.1 to submit to an examination when directed constitutes an admission of the allegations against
 54.2 the individual, unless the failure was due to circumstances beyond the individual's control,
 54.3 in which case a default and final order may be entered without the taking of testimony or
 54.4 presentation of evidence. Pharmacists affected under this paragraph shall at reasonable
 54.5 intervals be given an opportunity to demonstrate that they can resume the competent practice
 54.6 of the profession of pharmacy with reasonable skill and safety to the public. Pharmacist
 54.7 interns, pharmacy technicians, or controlled substance researchers affected under this
 54.8 paragraph shall at reasonable intervals be given an opportunity to demonstrate that they can
 54.9 competently resume the duties that can be performed, under this chapter or the rules of the
 54.10 board, by similarly registered persons with reasonable skill and safety to the public. In any
 54.11 proceeding under this paragraph, neither the record of proceedings nor the orders entered
 54.12 by the board shall be used against a licensed or registered individual in any other proceeding.

54.13 (b) Notwithstanding section 13.384, 144.651, or any other law limiting access to medical
 54.14 or other health data, the board may obtain medical data and health records relating to an
 54.15 individual licensed or registered by the board, or to an applicant for licensure or registration,
 54.16 without the individual's consent when the board receives a complaint and has probable cause
 54.17 to believe that the individual is practicing in violation of subdivision 2, clause (14), and the
 54.18 data and health records are limited to the complaint. The medical data may be requested
 54.19 from a provider, as defined in section 144.291, subdivision 2, paragraph (i), an insurance
 54.20 company, or a government agency, including the Department of Human Services and Direct
 54.21 Care and Treatment. A provider, insurance company, or government agency shall comply
 54.22 with any written request of the board under this subdivision and is not liable in any action
 54.23 for damages for releasing the data requested by the board if the data are released pursuant
 54.24 to a written request under this subdivision, unless the information is false and the provider
 54.25 giving the information knew, or had reason to believe, the information was false. Information
 54.26 obtained under this subdivision is classified as private under sections 13.01 to 13.87.

54.27 **EFFECTIVE DATE.** This section is effective July 1, 2025.

54.28 Sec. 24. Minnesota Statutes 2024, section 153.21, subdivision 2, is amended to read:

54.29 Subd. 2. **Access to medical data.** In addition to ordering a physical or mental examination
 54.30 or substance use disorder evaluation, the board may, notwithstanding section 13.384, 144.651,
 54.31 or any other law limiting access to medical or other health data, obtain medical data and
 54.32 health records relating to a licensee or applicant without the licensee's or applicant's consent
 54.33 if the board has probable cause to believe that a doctor of podiatric medicine falls within
 54.34 the provisions of section 153.19, subdivision 1, clause (12). The medical data may be

55.1 requested from a provider, as defined in section 144.291, subdivision 2, paragraph (h), an
55.2 insurance company, or a government agency, including the Department of Human Services
55.3 and Direct Care and Treatment. A provider, insurance company, or government agency
55.4 shall comply with any written request of the board under this section and is not liable in
55.5 any action for damages for releasing the data requested by the board if the data are released
55.6 in accordance with a written request under this section, unless the information is false and
55.7 the provider giving the information knew, or had reason to believe, the information was
55.8 false.

55.9 **EFFECTIVE DATE.** This section is effective July 1, 2025.

55.10 Sec. 25. Minnesota Statutes 2024, section 153B.70, is amended to read:

55.11 **153B.70 GROUNDS FOR DISCIPLINARY ACTION.**

55.12 (a) The board may refuse to issue or renew a license, revoke or suspend a license, or
55.13 place on probation or reprimand a licensee for one or any combination of the following:

55.14 (1) making a material misstatement in furnishing information to the board;

55.15 (2) violating or intentionally disregarding the requirements of this chapter;

55.16 (3) conviction of a crime, including a finding or verdict of guilt, an admission of guilt,
55.17 or a no-contest plea, in this state or elsewhere, reasonably related to the practice of the
55.18 profession. Conviction, as used in this clause, includes a conviction of an offense which, if
55.19 committed in this state, would be deemed a felony, gross misdemeanor, or misdemeanor,
55.20 without regard to its designation elsewhere, or a criminal proceeding where a finding or
55.21 verdict of guilty is made or returned but the adjudication of guilt is either withheld or not
55.22 entered;

55.23 (4) making a misrepresentation in order to obtain or renew a license;

55.24 (5) displaying a pattern of practice or other behavior that demonstrates incapacity or
55.25 incompetence to practice;

55.26 (6) aiding or assisting another person in violating the provisions of this chapter;

55.27 (7) failing to provide information within 60 days in response to a written request from
55.28 the board, including documentation of completion of continuing education requirements;

55.29 (8) engaging in dishonorable, unethical, or unprofessional conduct;

55.30 (9) engaging in conduct of a character likely to deceive, defraud, or harm the public;

56.1 (10) inability to practice due to habitual intoxication, addiction to drugs, or mental or
56.2 physical illness;

56.3 (11) being disciplined by another state or territory of the United States, the federal
56.4 government, a national certification organization, or foreign nation, if at least one of the
56.5 grounds for the discipline is the same or substantially equivalent to one of the grounds in
56.6 this section;

56.7 (12) directly or indirectly giving to or receiving from a person, firm, corporation,
56.8 partnership, or association a fee, commission, rebate, or other form of compensation for
56.9 professional services not actually or personally rendered;

56.10 (13) incurring a finding by the board that the licensee, after the licensee has been placed
56.11 on probationary status, has violated the conditions of the probation;

56.12 (14) abandoning a patient or client;

56.13 (15) willfully making or filing false records or reports in the course of the licensee's
56.14 practice including, but not limited to, false records or reports filed with state or federal
56.15 agencies;

56.16 (16) willfully failing to report child maltreatment as required under the Maltreatment of
56.17 Minors Act, chapter 260E; or

56.18 (17) soliciting professional services using false or misleading advertising.

56.19 (b) A license to practice is automatically suspended if (1) a guardian of a licensee is
56.20 appointed by order of a court pursuant to sections 524.5-101 to 524.5-502, for reasons other
56.21 than the minority of the licensee, or (2) the licensee is committed by order of a court pursuant
56.22 to chapter 253B. The license remains suspended until the licensee is restored to capacity
56.23 by a court and, upon petition by the licensee, the suspension is terminated by the board after
56.24 a hearing. The licensee may be reinstated to practice, either with or without restrictions, by
56.25 demonstrating clear and convincing evidence of rehabilitation. The regulated person is not
56.26 required to prove rehabilitation if the subsequent court decision overturns previous court
56.27 findings of public risk.

56.28 (c) If the board has probable cause to believe that a licensee or applicant has violated
56.29 paragraph (a), clause (10), it may direct the person to submit to a mental or physical
56.30 examination. For the purpose of this section, every person is deemed to have consented to
56.31 submit to a mental or physical examination when directed in writing by the board and to
56.32 have waived all objections to the admissibility of the examining physician's testimony or
56.33 examination report on the grounds that the testimony or report constitutes a privileged

57.1 communication. Failure of a regulated person to submit to an examination when directed
 57.2 constitutes an admission of the allegations against the person, unless the failure was due to
 57.3 circumstances beyond the person's control, in which case a default and final order may be
 57.4 entered without the taking of testimony or presentation of evidence. A regulated person
 57.5 affected under this paragraph shall at reasonable intervals be given an opportunity to
 57.6 demonstrate that the person can resume the competent practice of the regulated profession
 57.7 with reasonable skill and safety to the public. In any proceeding under this paragraph, neither
 57.8 the record of proceedings nor the orders entered by the board shall be used against a regulated
 57.9 person in any other proceeding.

57.10 (d) In addition to ordering a physical or mental examination, the board may,
 57.11 notwithstanding section 13.384 or 144.293, or any other law limiting access to medical or
 57.12 other health data, obtain medical data and health records relating to a licensee or applicant
 57.13 without the person's or applicant's consent if the board has probable cause to believe that a
 57.14 licensee is subject to paragraph (a), clause (10). The medical data may be requested from
 57.15 a provider as defined in section 144.291, subdivision 2, paragraph (i), an insurance company,
 57.16 or a government agency, including the Department of Human Services and Direct Care and
 57.17 Treatment. A provider, insurance company, or government agency shall comply with any
 57.18 written request of the board under this section and is not liable in any action for damages
 57.19 for releasing the data requested by the board if the data are released pursuant to a written
 57.20 request under this section, unless the information is false and the provider giving the
 57.21 information knew, or had reason to know, the information was false. Information obtained
 57.22 under this section is private data on individuals as defined in section 13.02.

57.23 (e) If the board issues an order of immediate suspension of a license, a hearing must be
 57.24 held within 30 days of the suspension and completed without delay.

57.25 **EFFECTIVE DATE.** This section is effective July 1, 2025.

57.26 Sec. 26. Minnesota Statutes 2024, section 168.012, subdivision 1, is amended to read:

57.27 Subdivision 1. **Vehicles exempt from tax, fees, or plate display.** (a) The following
 57.28 vehicles are exempt from the provisions of this chapter requiring payment of tax and
 57.29 registration fees, except as provided in subdivision 1c:

57.30 (1) vehicles owned and used solely in the transaction of official business by the federal
 57.31 government, the state, or any political subdivision;

57.32 (2) vehicles owned and used exclusively by educational institutions and used solely in
 57.33 the transportation of pupils to and from those institutions;

58.1 (3) vehicles used solely in driver education programs at nonpublic high schools;

58.2 (4) vehicles owned by nonprofit charities and used exclusively to transport disabled
58.3 persons for charitable, religious, or educational purposes;

58.4 (5) vehicles owned by nonprofit charities and used exclusively for disaster response and
58.5 related activities;

58.6 (6) vehicles owned by ambulance services licensed under section 144E.10 that are
58.7 equipped and specifically intended for emergency response or providing ambulance services;
58.8 and

58.9 (7) vehicles owned by a commercial driving school licensed under section 171.34, or
58.10 an employee of a commercial driving school licensed under section 171.34, and the vehicle
58.11 is used exclusively for driver education and training.

58.12 (b) Provided the general appearance of the vehicle is unmistakable, the following vehicles
58.13 are not required to register or display number plates:

58.14 (1) vehicles owned by the federal government;

58.15 (2) fire apparatuses, including fire-suppression support vehicles, owned or leased by the
58.16 state or a political subdivision;

58.17 (3) police patrols owned or leased by the state or a political subdivision; and

58.18 (4) ambulances owned or leased by the state or a political subdivision.

58.19 (c) Unmarked vehicles used in general police work, liquor investigations, or arson
58.20 investigations, and passenger automobiles, pickup trucks, and buses owned or operated by
58.21 the Department of Corrections or by conservation officers of the Division of Enforcement
58.22 and Field Service of the Department of Natural Resources, must be registered and must
58.23 display appropriate license number plates, furnished by the registrar at cost. Original and
58.24 renewal applications for these license plates authorized for use in general police work and
58.25 for use by the Department of Corrections or by conservation officers must be accompanied
58.26 by a certification signed by the appropriate chief of police if issued to a police vehicle, the
58.27 appropriate sheriff if issued to a sheriff's vehicle, the commissioner of corrections if issued
58.28 to a Department of Corrections vehicle, or the appropriate officer in charge if issued to a
58.29 vehicle of any other law enforcement agency. The certification must be on a form prescribed
58.30 by the commissioner and state that the vehicle will be used exclusively for a purpose
58.31 authorized by this section.

59.1 (d) Unmarked vehicles used by the Departments of Revenue and Labor and Industry,
59.2 fraud unit, in conducting seizures or criminal investigations must be registered and must
59.3 display passenger vehicle classification license number plates, furnished at cost by the
59.4 registrar. Original and renewal applications for these passenger vehicle license plates must
59.5 be accompanied by a certification signed by the commissioner of revenue or the
59.6 commissioner of labor and industry. The certification must be on a form prescribed by the
59.7 commissioner and state that the vehicles will be used exclusively for the purposes authorized
59.8 by this section.

59.9 (e) Unmarked vehicles used by the Division of Disease Prevention and Control of the
59.10 Department of Health must be registered and must display passenger vehicle classification
59.11 license number plates. These plates must be furnished at cost by the registrar. Original and
59.12 renewal applications for these passenger vehicle license plates must be accompanied by a
59.13 certification signed by the commissioner of health. The certification must be on a form
59.14 prescribed by the commissioner and state that the vehicles will be used exclusively for the
59.15 official duties of the Division of Disease Prevention and Control.

59.16 (f) Unmarked vehicles used by staff of the Gambling Control Board in gambling
59.17 investigations and reviews must be registered and must display passenger vehicle
59.18 classification license number plates. These plates must be furnished at cost by the registrar.
59.19 Original and renewal applications for these passenger vehicle license plates must be
59.20 accompanied by a certification signed by the board chair. The certification must be on a
59.21 form prescribed by the commissioner and state that the vehicles will be used exclusively
59.22 for the official duties of the Gambling Control Board.

59.23 (g) Unmarked vehicles used in general investigation, surveillance, supervision, and
59.24 monitoring by the Department of Human Services' Office of Special Investigations' staff;
59.25 ~~the Minnesota Sex Offender Program's executive director and the executive director's staff;~~
59.26 ~~and~~ the Office of Inspector General's staff, including, but not limited to, county fraud
59.27 prevention investigators, must be registered and must display passenger vehicle classification
59.28 license number plates, furnished by the registrar at cost. Original and renewal applications
59.29 for passenger vehicle license plates must be accompanied by a certification signed by the
59.30 commissioner of human services. The certification must be on a form prescribed by the
59.31 commissioner and state that the vehicles must be used exclusively for the official duties of
59.32 the Office of Special Investigations' staff; ~~the Minnesota Sex Offender Program's executive~~
59.33 ~~director and the executive director's staff;~~ and the Office of the Inspector General's staff,
59.34 including, but not limited to, contract and county fraud prevention investigators.

60.1 (h) Unmarked vehicles used in general investigation, surveillance, supervision, and
60.2 monitoring by the Direct Care and Treatment Office of Special Investigations' staff and
60.3 unmarked vehicles used by the Minnesota Sex Offender Program's executive director and
60.4 the executive director's staff must be registered and must display passenger vehicle
60.5 classification license number plates, furnished by the registrar at cost. Original and renewal
60.6 applications for passenger vehicle license plates must be accompanied by a certification
60.7 signed by the Direct Care and Treatment executive board. The certification must be on a
60.8 form prescribed by the commissioner and state that the vehicles must be used exclusively
60.9 for the official duties of the Minnesota Sex Offender Program's executive director and the
60.10 executive director's staff, including but not limited to contract and county fraud prevention
60.11 investigators.

60.12 ~~(h)~~ (i) Each state hospital and institution for persons who are mentally ill and
60.13 developmentally disabled may have one vehicle without the required identification on the
60.14 sides of the vehicle. The vehicle must be registered and must display passenger vehicle
60.15 classification license number plates. These plates must be furnished at cost by the registrar.
60.16 Original and renewal applications for these passenger vehicle license plates must be
60.17 accompanied by a certification signed by the hospital administrator. The certification must
60.18 be on a form prescribed by the ~~commissioner~~ Direct Care and Treatment executive board
60.19 and state that the vehicles will be used exclusively for the official duties of the state hospital
60.20 or institution.

60.21 ~~(i)~~ (j) Each county social service agency may have vehicles used for child and vulnerable
60.22 adult protective services without the required identification on the sides of the vehicle. The
60.23 vehicles must be registered and must display passenger vehicle classification license number
60.24 plates. These plates must be furnished at cost by the registrar. Original and renewal
60.25 applications for these passenger vehicle license plates must be accompanied by a certification
60.26 signed by the agency administrator. The certification must be on a form prescribed by the
60.27 commissioner and state that the vehicles will be used exclusively for the official duties of
60.28 the social service agency.

60.29 ~~(j)~~ (k) Unmarked vehicles used in general investigation, surveillance, supervision, and
60.30 monitoring by tobacco inspector staff of the Department of Human Services' Alcohol and
60.31 Drug Abuse Division for the purposes of tobacco inspections, investigations, and reviews
60.32 must be registered and must display passenger vehicle classification license number plates,
60.33 furnished at cost by the registrar. Original and renewal applications for passenger vehicle
60.34 license plates must be accompanied by a certification signed by the commissioner of human
60.35 services. The certification must be on a form prescribed by the commissioner and state that

61.1 the vehicles will be used exclusively by tobacco inspector staff for the duties specified in
61.2 this paragraph.

61.3 ~~(k)~~ (l) All other motor vehicles must be registered and display tax-exempt number plates,
61.4 furnished by the registrar at cost, except as provided in subdivision 1c. All vehicles required
61.5 to display tax-exempt number plates must have the name of the state department or political
61.6 subdivision, nonpublic high school operating a driver education program, licensed
61.7 commercial driving school, or other qualifying organization or entity, plainly displayed on
61.8 both sides of the vehicle. This identification must be in a color giving contrast with that of
61.9 the part of the vehicle on which it is placed and must endure throughout the term of the
61.10 registration. The identification must not be on a removable plate or placard and must be
61.11 kept clean and visible at all times; except that a removable plate or placard may be utilized
61.12 on vehicles leased or loaned to a political subdivision or to a nonpublic high school driver
61.13 education program.

61.14 **EFFECTIVE DATE.** This section is effective July 1, 2025.

61.15 Sec. 27. Minnesota Statutes 2024, section 244.052, subdivision 4, is amended to read:

61.16 Subd. 4. **Law enforcement agency; disclosure of information to public.** (a) The law
61.17 enforcement agency in the area where the predatory offender resides, expects to reside, is
61.18 employed, or is regularly found, shall disclose to the public any information regarding the
61.19 offender contained in the report forwarded to the agency under subdivision 3, paragraph
61.20 (f), that is relevant and necessary to protect the public and to counteract the offender's
61.21 dangerousness, consistent with the guidelines in paragraph (b). The extent of the information
61.22 disclosed and the community to whom disclosure is made must relate to the level of danger
61.23 posed by the offender, to the offender's pattern of offending behavior, and to the need of
61.24 community members for information to enhance their individual and collective safety.

61.25 (b) The law enforcement agency shall employ the following guidelines in determining
61.26 the scope of disclosure made under this subdivision:

61.27 (1) if the offender is assigned to risk level I, the agency may maintain information
61.28 regarding the offender within the agency and may disclose it to other law enforcement
61.29 agencies. Additionally, the agency may disclose the information to any victims of or
61.30 witnesses to the offense committed by the offender. The agency shall disclose the information
61.31 to victims of the offense committed by the offender who have requested disclosure and to
61.32 adult members of the offender's immediate household;

62.1 (2) if the offender is assigned to risk level II, the agency also may disclose the information
62.2 to agencies and groups that the offender is likely to encounter for the purpose of securing
62.3 those institutions and protecting individuals in their care while they are on or near the
62.4 premises of the institution. These agencies and groups include the staff members of public
62.5 and private educational institutions, day care establishments, and establishments and
62.6 organizations that primarily serve individuals likely to be victimized by the offender. The
62.7 agency also may disclose the information to individuals the agency believes are likely to
62.8 be victimized by the offender. The agency's belief shall be based on the offender's pattern
62.9 of offending or victim preference as documented in the information provided by the
62.10 Department of Corrections ~~or~~, the Department of Human Services, or Direct Care and
62.11 Treatment. The agency may disclose the information to property assessors, property
62.12 inspectors, code enforcement officials, and child protection officials who are likely to visit
62.13 the offender's home in the course of their duties;

62.14 (3) if the offender is assigned to risk level III, the agency shall disclose the information
62.15 to the persons and entities described in clauses (1) and (2) and to other members of the
62.16 community whom the offender is likely to encounter, unless the law enforcement agency
62.17 determines that public safety would be compromised by the disclosure or that a more limited
62.18 disclosure is necessary to protect the identity of the victim.

62.19 Notwithstanding the assignment of a predatory offender to risk level II or III, a law
62.20 enforcement agency may not make the disclosures permitted or required by clause (2) or
62.21 (3), if: the offender is placed or resides in a residential facility. However, if an offender is
62.22 placed or resides in a residential facility, the offender and the head of the facility shall
62.23 designate the offender's likely residence upon release from the facility and the head of the
62.24 facility shall notify the commissioner of corrections ~~or~~, the commissioner of human services,
62.25 or the Direct Care and Treatment executive board of the offender's likely residence at least
62.26 14 days before the offender's scheduled release date. The commissioner shall give this
62.27 information to the law enforcement agency having jurisdiction over the offender's likely
62.28 residence. The head of the residential facility also shall notify the commissioner of corrections
62.29 ~~or~~, the commissioner of human services, or the Direct Care and Treatment executive board
62.30 within 48 hours after finalizing the offender's approved relocation plan to a permanent
62.31 residence. Within five days after receiving this notification, the appropriate commissioner
62.32 shall give to the appropriate law enforcement agency all relevant information the
62.33 commissioner has concerning the offender, including information on the risk factors in the
62.34 offender's history and the risk level to which the offender was assigned. After receiving this

63.1 information, the law enforcement agency shall make the disclosures permitted or required
63.2 by clause (2) or (3), as appropriate.

63.3 (c) As used in paragraph (b), clauses (2) and (3), "likely to encounter" means that:

63.4 (1) the organizations or community members are in a location or in close proximity to
63.5 a location where the offender lives or is employed, or which the offender visits or is likely
63.6 to visit on a regular basis, other than the location of the offender's outpatient treatment
63.7 program; and

63.8 (2) the types of interaction which ordinarily occur at that location and other circumstances
63.9 indicate that contact with the offender is reasonably certain.

63.10 (d) A law enforcement agency or official who discloses information under this subdivision
63.11 shall make a good faith effort to make the notification within 14 days of receipt of a
63.12 confirmed address from the Department of Corrections indicating that the offender will be,
63.13 or has been, released from confinement, or accepted for supervision, or has moved to a new
63.14 address and will reside at the address indicated. If a change occurs in the release plan, this
63.15 notification provision does not require an extension of the release date.

63.16 (e) A law enforcement agency or official who discloses information under this subdivision
63.17 shall not disclose the identity or any identifying characteristics of the victims of or witnesses
63.18 to the offender's offenses.

63.19 (f) A law enforcement agency shall continue to disclose information on an offender as
63.20 required by this subdivision for as long as the offender is required to register under section
63.21 243.166. This requirement on a law enforcement agency to continue to disclose information
63.22 also applies to an offender who lacks a primary address and is registering under section
63.23 243.166, subdivision 3a.

63.24 (g) A law enforcement agency that is disclosing information on an offender assigned to
63.25 risk level III to the public under this subdivision shall inform the commissioner of corrections
63.26 what information is being disclosed and forward this information to the commissioner within
63.27 two days of the agency's determination. The commissioner shall post this information on
63.28 the Internet as required in subdivision 4b.

63.29 (h) A city council may adopt a policy that addresses when information disclosed under
63.30 this subdivision must be presented in languages in addition to English. The policy may
63.31 address when information must be presented orally, in writing, or both in additional languages
63.32 by the law enforcement agency disclosing the information. The policy may provide for

64.1 different approaches based on the prevalence of non-English languages in different
64.2 neighborhoods.

64.3 (i) An offender who is the subject of a community notification meeting held pursuant
64.4 to this section may not attend the meeting.

64.5 (j) When a school, day care facility, or other entity or program that primarily educates
64.6 or serves children receives notice under paragraph (b), clause (3), that a level III predatory
64.7 offender resides or works in the surrounding community, notice to parents must be made
64.8 as provided in this paragraph. If the predatory offender identified in the notice is participating
64.9 in programs offered by the facility that require or allow the person to interact with children
64.10 other than the person's children, the principal or head of the entity must notify parents with
64.11 children at the facility of the contents of the notice received pursuant to this section. The
64.12 immunity provisions of subdivision 7 apply to persons disclosing information under this
64.13 paragraph.

64.14 (k) When an offender for whom notification was made under this subdivision no longer
64.15 resides, is employed, or is regularly found in the area, and the law enforcement agency that
64.16 made the notification is aware of this, the agency shall inform the entities and individuals
64.17 initially notified of the change in the offender's status. If notification was made under
64.18 paragraph (b), clause (3), the agency shall provide the updated information required under
64.19 this paragraph in a manner designed to ensure a similar scope of dissemination. However,
64.20 the agency is not required to hold a public meeting to do so.

64.21 **EFFECTIVE DATE.** This section is effective July 1, 2025.

64.22 Sec. 28. Minnesota Statutes 2024, section 245.50, subdivision 2, is amended to read:

64.23 Subd. 2. **Purpose and authority.** (a) The purpose of this section is to enable appropriate
64.24 treatment or detoxification services to be provided to individuals, across state lines from
64.25 the individual's state of residence, in qualified facilities that are closer to the homes of
64.26 individuals than are facilities available in the individual's home state.

64.27 (b) Unless prohibited by another law and subject to the exceptions listed in subdivision
64.28 3, a county board ~~or~~, the commissioner of human services, or the Direct Care and Treatment
64.29 executive board may contract with an agency or facility in a bordering state for mental
64.30 health, chemical health, or detoxification services for residents of Minnesota, and a Minnesota
64.31 mental health, chemical health, or detoxification agency or facility may contract to provide
64.32 services to residents of bordering states. Except as provided in subdivision 5, a person who
64.33 receives services in another state under this section is subject to the laws of the state in

65.1 which services are provided. A person who will receive services in another state under this
 65.2 section must be informed of the consequences of receiving services in another state, including
 65.3 the implications of the differences in state laws, to the extent the individual will be subject
 65.4 to the laws of the receiving state.

65.5 **EFFECTIVE DATE.** This section is effective July 1, 2025.

65.6 Sec. 29. Minnesota Statutes 2024, section 245.52, is amended to read:

65.7 **245.52 COMMISSIONER OF HUMAN SERVICES CHIEF EXECUTIVE**
 65.8 **OFFICER OF DIRECT CARE AND TREATMENT AS COMPACT**
 65.9 **ADMINISTRATOR.**

65.10 The ~~commissioner of human services~~ chief executive officer of Direct Care and Treatment
 65.11 is hereby designated as "compact administrator." The ~~commissioner~~ chief executive officer
 65.12 shall have the powers and duties specified in the compact, and may, in the name of the state
 65.13 of Minnesota, subject to the approval of the attorney general as to form and legality, enter
 65.14 into such agreements authorized by the compact as the ~~commissioner~~ chief executive officer
 65.15 deems appropriate to effecting the purpose of the compact. The ~~commissioner~~ chief executive
 65.16 officer shall, within the limits of the appropriations for the care of persons with mental
 65.17 illness or developmental disabilities, authorize such payments as are necessary to discharge
 65.18 any financial obligations imposed upon this state by the compact or any agreement entered
 65.19 into under the compact.

65.20 If the patient has no established residence in a Minnesota county, the commissioner of
 65.21 human services shall designate the county of financial responsibility for the purposes of
 65.22 carrying out the provisions of the Interstate Compact on Mental Health as it pertains to
 65.23 patients being transferred to Minnesota. The commissioner of human services shall designate
 65.24 the county which is the residence of the person in Minnesota who initiates the earliest written
 65.25 request for the patient's transfer.

65.26 **EFFECTIVE DATE.** This section is effective July 1, 2025.

65.27 Sec. 30. Minnesota Statutes 2024, section 245.91, subdivision 2, is amended to read:

65.28 Subd. 2. **Agency.** "Agency" means the divisions, officials, or employees of the state
 65.29 Departments of Human Services, ~~Direct Care and Treatment~~, Health, and Education; of
 65.30 Direct Care and Treatment; and of local school districts and designated county social service
 65.31 agencies as defined in section 256G.02, subdivision 7, that are engaged in monitoring,

66.1 providing, or regulating services or treatment for mental illness, developmental disability,
66.2 substance use disorder, or emotional disturbance.

66.3 **EFFECTIVE DATE.** This section is effective July 1, 2025.

66.4 Sec. 31. Minnesota Statutes 2024, section 246.585, is amended to read:

66.5 **246.585 CRISIS SERVICES.**

66.6 Within the limits of appropriations, state-operated regional technical assistance must be
66.7 available in each region to assist counties, Tribal Nations, residential and ~~day programming~~
66.8 ~~staff~~ vocational service providers, ~~and families, and persons with disabilities~~ to prevent or
66.9 resolve crises that could lead to a ~~change in placement~~ person moving to a less integrated
66.10 setting. ~~Crisis capacity must be provided on all regional treatment center campuses serving~~
66.11 ~~persons with developmental disabilities~~. In addition, crisis capacity may be developed to
66.12 serve 16 persons in the Twin Cities metropolitan area. ~~Technical assistance and consultation~~
66.13 ~~must also be available in each region to providers and counties~~. Staff must be available to
66.14 provide:

66.15 (1) individual assessments;

66.16 (2) program plan development and implementation assistance;

66.17 (3) analysis of service delivery problems; and

66.18 (4) assistance with transition planning, including technical assistance to counties, Tribal
66.19 Nations, and service providers to develop new services, site the new services, and assist
66.20 with community acceptance.

66.21 Sec. 32. Minnesota Statutes 2024, section 246C.06, subdivision 11, is amended to read:

66.22 Subd. 11. **Rulemaking.** (a) The executive board is authorized to adopt, amend, and
66.23 repeal rules in accordance with chapter 14 to the extent necessary to implement this chapter
66.24 or any responsibilities of Direct Care and Treatment specified in state law. The 18-month
66.25 time limit under section 14.125 does not apply to the rulemaking authority under this
66.26 subdivision.

66.27 (b) Until July 1, 2027, the executive board may adopt rules using the expedited
66.28 rulemaking process in section 14.389.

66.29 (c) In accordance with section 15.039, all orders, rules, delegations, permits, and other
66.30 privileges issued or granted by the Department of Human Services with respect to any
66.31 function of Direct Care and Treatment and in effect at the time of the establishment of Direct

67.1 Care and Treatment shall continue in effect as if such establishment had not occurred. The
 67.2 executive board may amend or repeal rules applicable to Direct Care and Treatment that
 67.3 were established by the Department of Human Services in accordance with chapter 14.

67.4 (d) The executive board must not adopt rules that go into effect or enforce rules prior
 67.5 to July 1, 2025.

67.6 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2024.

67.7 Sec. 33. Minnesota Statutes 2024, section 246C.12, subdivision 6, is amended to read:

67.8 Subd. 6. ~~Dissemination of Admission and stay criteria; dissemination.~~ (a) The
 67.9 executive board shall establish standard admission and continued-stay criteria for
 67.10 state-operated services facilities to ensure that appropriate services are provided in the least
 67.11 restrictive setting.

67.12 (b) The executive board shall periodically disseminate criteria for admission and
 67.13 continued stay in a state-operated services facility. The executive board shall disseminate
 67.14 the criteria to the courts of the state and counties.

67.15 **EFFECTIVE DATE.** This section is effective July 1, 2025.

67.16 Sec. 34. Minnesota Statutes 2024, section 246C.20, is amended to read:

67.17 **246C.20 CONTRACT WITH DEPARTMENT OF HUMAN SERVICES FOR**
 67.18 **ADMINISTRATIVE SERVICES.**

67.19 (a) Direct Care and Treatment shall contract with the Department of Human Services
 67.20 to provide determinations on issues of county of financial responsibility under chapter 256G
 67.21 and to provide administrative and judicial review of direct care and treatment matters
 67.22 according to section 256.045.

67.23 (b) The executive board may prescribe rules necessary to carry out this ~~subdivision~~
 67.24 section, except that the executive board must not create any rule purporting to control the
 67.25 decision making or processes of state human services judges under section 256.045,
 67.26 subdivision 4, or the decision making or processes of the commissioner of human services
 67.27 issuing an advisory opinion or recommended order to the executive board under section
 67.28 256G.09, subdivision 3. The executive board must not create any rule purporting to control
 67.29 processes for determinations of financial responsibility under chapter 256G or administrative
 67.30 and judicial review under section 256.045 on matters outside of the jurisdiction of Direct
 67.31 Care and Treatment.

68.1 (c) The executive board and commissioner of human services may adopt joint rules
68.2 necessary to accomplish the purposes of this section.

68.3 **EFFECTIVE DATE.** This section is effective July 1, 2025.

68.4 Sec. 35. **[246C.21] INTERVIEW EXPENSES.**

68.5 Job applicants for professional, administrative, or highly technical positions recruited
68.6 by the Direct Care and Treatment executive board may be reimbursed for necessary travel
68.7 expenses to and from interviews arranged by the Direct Care and Treatment executive board.

68.8 **EFFECTIVE DATE.** This section is effective July 1, 2025.

68.9 Sec. 36. **[246C.211] FEDERAL GRANTS FOR MINNESOTA INDIANS.**

68.10 The Direct Care and Treatment executive board is authorized to enter into contracts with
68.11 the United States Departments of Health and Human Services; Education; and Interior,
68.12 Bureau of Indian Affairs, for the purposes of receiving federal grants for the welfare and
68.13 relief of Minnesota Indians.

68.14 **EFFECTIVE DATE.** This section is effective July 1, 2025.

68.15 Sec. 37. Minnesota Statutes 2024, section 252.291, subdivision 3, is amended to read:

68.16 Subd. 3. **Duties of commissioner of human services.** The commissioner shall:

68.17 (1) ~~establish standard admission criteria for state hospitals and county utilization targets~~
68.18 ~~to limit and reduce the number of intermediate care beds in state hospitals and community~~
68.19 ~~facilities in accordance with approved waivers under United States Code, title 42, sections~~
68.20 ~~1396 to 1396p, as amended through December 31, 1987, to assure~~ ensure that appropriate
68.21 services are provided in the least restrictive setting;

68.22 (2) define services, including respite care, that may be needed in meeting individual
68.23 service plan objectives;

68.24 (3) provide technical assistance so that county boards may establish a request for proposal
68.25 system for meeting individual service plan objectives through home and community-based
68.26 services; alternative community services; or, if no other alternative will meet the needs of
68.27 identifiable individuals for whom the county is financially responsible, a new intermediate
68.28 care facility for persons with developmental disabilities;

69.1 (4) establish a client tracking and evaluation system as required under applicable federal
 69.2 waiver regulations, Code of Federal Regulations, title 42, sections 431, 435, 440, and 441,
 69.3 as amended through December 31, 1987; and

69.4 (5) develop a state plan for the delivery and funding of residential day and support
 69.5 services to persons with developmental disabilities in Minnesota. The biennial developmental
 69.6 disability plan shall include but not be limited to:

69.7 (i) county by county maximum intermediate care bed utilization quotas;

69.8 (ii) plans for the development of the number and types of services alternative to
 69.9 intermediate care beds;

69.10 (iii) procedures for the administration and management of the plan;

69.11 (iv) procedures for the evaluation of the implementation of the plan; and

69.12 (v) the number, type, and location of intermediate care beds targeted for decertification.

69.13 The commissioner shall modify the plan to ensure conformance with the medical
 69.14 assistance home and community-based services waiver.

69.15 **EFFECTIVE DATE.** This section is effective July 1, 2025.

69.16 Sec. 38. Minnesota Statutes 2024, section 252.50, subdivision 5, is amended to read:

69.17 Subd. 5. **Location of programs.** (a) In determining the location of state-operated,
 69.18 community-based programs, the needs of the individual client shall be paramount. The
 69.19 executive board shall also take into account:

69.20 (1) prioritization of ~~beds~~ services in state-operated, community-based programs for
 69.21 individuals with complex behavioral needs that cannot be met by private community-based
 69.22 providers;

69.23 (2) choices made by individuals who chose to move to a more integrated setting, and
 69.24 shall coordinate with the lead agency to ensure that appropriate person-centered transition
 69.25 plans are created;

69.26 (3) the personal preferences of the persons being served and their families as determined
 69.27 by Minnesota Rules, parts 9525.0004 to 9525.0036;

69.28 (4) the location of the support services established by the individual service plans of the
 69.29 persons being served;

69.30 (5) the appropriate grouping of the persons served;

70.1 (6) the availability of qualified staff;

70.2 (7) the need for state-operated, community-based programs in the geographical region
70.3 of the state; and

70.4 (8) a reasonable commuting distance from a regional treatment center or the residences
70.5 of the program staff.

70.6 (b) The executive board must locate state-operated, community-based programs in
70.7 coordination with the commissioner of human services according to section 252.28.

70.8 Sec. 39. Minnesota Statutes 2024, section 253B.07, subdivision 2b, is amended to read:

70.9 Subd. 2b. **Apprehend and hold orders.** (a) The court may order the treatment facility
70.10 or state-operated treatment program to hold the proposed patient or direct a health officer,
70.11 peace officer, or other person to take the proposed patient into custody and transport the
70.12 proposed patient to a treatment facility or state-operated treatment program for observation,
70.13 evaluation, diagnosis, care, treatment, and, if necessary, confinement, when:

70.14 (1) there has been a particularized showing by the petitioner that serious physical harm
70.15 to the proposed patient or others is likely unless the proposed patient is immediately
70.16 apprehended;

70.17 (2) the proposed patient has not voluntarily appeared for the examination or the
70.18 commitment hearing pursuant to the summons; or

70.19 (3) a person is held pursuant to section 253B.051 and a request for a petition for
70.20 commitment has been filed.

70.21 (b) The order of the court may be executed on any day and at any time by the use of all
70.22 necessary means including the imposition of necessary restraint upon the proposed patient.
70.23 Where possible, a peace officer taking the proposed patient into custody pursuant to this
70.24 subdivision shall not be in uniform and shall not use a vehicle visibly marked as a law
70.25 enforcement vehicle. Except as provided in section 253D.10, subdivision 2, in the case of
70.26 an individual on a judicial hold due to a petition for civil commitment under chapter 253D,
70.27 assignment of custody during the hold is to the ~~commissioner~~ executive board. The
70.28 ~~commissioner~~ executive board is responsible for determining the appropriate placement
70.29 within a secure treatment facility under the authority of the ~~commissioner~~ executive board.

70.30 (c) A proposed patient must not be allowed or required to consent to nor participate in
70.31 a clinical drug trial while an order is in effect under this subdivision. A consent given while
70.32 an order is in effect is void and unenforceable. This paragraph does not prohibit a patient

71.1 from continuing participation in a clinical drug trial if the patient was participating in the
71.2 clinical drug trial at the time the order was issued under this subdivision.

71.3 **EFFECTIVE DATE.** This section is effective July 1, 2025.

71.4 Sec. 40. Minnesota Statutes 2024, section 253B.09, subdivision 3a, is amended to read:

71.5 Subd. 3a. **Reporting judicial commitments; private treatment program or**
71.6 **facility.** Notwithstanding section 253B.23, subdivision 9, when a court commits a patient
71.7 to a non-state-operated treatment facility or program, the court shall report the commitment
71.8 to the ~~commissioner~~ executive board through the supreme court information system for
71.9 purposes of providing commitment information for firearm background checks under section
71.10 246C.15. If the patient is committed to a state-operated treatment program, the court shall
71.11 send a copy of the commitment order to ~~the commissioner~~ and the executive board.

71.12 **EFFECTIVE DATE.** This section is effective July 1, 2025.

71.13 Sec. 41. Minnesota Statutes 2024, section 253B.10, subdivision 1, is amended to read:

71.14 Subdivision 1. **Administrative requirements.** (a) When a person is committed, the
71.15 court shall issue a warrant or an order committing the patient to the custody of the head of
71.16 the treatment facility, state-operated treatment program, or community-based treatment
71.17 program. The warrant or order shall state that the patient meets the statutory criteria for
71.18 civil commitment.

71.19 (b) The executive board shall prioritize civilly committed patients being admitted from
71.20 jail or a correctional institution or who are referred to a state-operated treatment facility for
71.21 competency attainment or a competency examination under sections 611.40 to 611.59 for
71.22 admission to a medically appropriate state-operated direct care and treatment bed based on
71.23 the decisions of physicians in the executive medical director's office, using a priority
71.24 admissions framework. The framework must account for a range of factors for priority
71.25 admission, including but not limited to:

71.26 (1) the length of time the person has been on a waiting list for admission to a
71.27 state-operated direct care and treatment program since the date of the order under paragraph
71.28 (a), or the date of an order issued under sections 611.40 to 611.59;

71.29 (2) the intensity of the treatment the person needs, based on medical acuity;

71.30 (3) the person's revoked provisional discharge status;

71.31 (4) the person's safety and safety of others in the person's current environment;

72.1 (5) whether the person has access to necessary or court-ordered treatment;

72.2 (6) distinct and articulable negative impacts of an admission delay on the facility referring
72.3 the individual for treatment; and

72.4 (7) any relevant federal prioritization requirements.

72.5 Patients described in this paragraph must be admitted to a state-operated treatment program
72.6 within 48 hours. The commitment must be ordered by the court as provided in section
72.7 253B.09, subdivision 1, paragraph (d). Patients committed to a secure treatment facility or
72.8 less restrictive setting as ordered by the court under section 253B.18, subdivisions 1 and 2,
72.9 must be prioritized for admission to a state-operated treatment program using the priority
72.10 admissions framework in this paragraph.

72.11 (c) Upon the arrival of a patient at the designated treatment facility, state-operated
72.12 treatment program, or community-based treatment program, the head of the facility or
72.13 program shall retain the duplicate of the warrant and endorse receipt upon the original
72.14 warrant or acknowledge receipt of the order. The endorsed receipt or acknowledgment must
72.15 be filed in the court of commitment. After arrival, the patient shall be under the control and
72.16 custody of the head of the facility or program.

72.17 (d) Copies of the petition for commitment, the court's findings of fact and conclusions
72.18 of law, the court order committing the patient, the report of the court examiners, and the
72.19 prepetition report, and any medical and behavioral information available shall be provided
72.20 at the time of admission of a patient to the designated treatment facility or program to which
72.21 the patient is committed. Upon a patient's referral to the executive board for admission
72.22 pursuant to subdivision 1, paragraph (b), any inpatient hospital, treatment facility, jail, or
72.23 correctional facility that has provided care or supervision to the patient in the previous two
72.24 years shall, when requested by the treatment facility or executive board, provide copies of
72.25 the patient's medical and behavioral records to the executive board for purposes of
72.26 preadmission planning. This information shall be provided by the head of the treatment
72.27 facility to treatment facility staff in a consistent and timely manner and pursuant to all
72.28 applicable laws.

72.29 (e) Patients described in paragraph (b) must be admitted to a state-operated treatment
72.30 program within 48 hours of the Office of Executive Medical Director, under section 246C.09,
72.31 or a designee determining that a medically appropriate bed is available. This paragraph
72.32 ~~expires on June 30, 2025.~~ expires on June 30, 2027.

72.33 (f) Within four business days of determining which state-operated direct care and
72.34 treatment program or programs are appropriate for an individual, the executive medical

73.1 director's office or a designee must notify the source of the referral and the responsible
73.2 county human services agency, the individual being ordered to direct care and treatment,
73.3 and the district court that issued the order of the determination. The notice shall include
73.4 which program or programs are appropriate for the person's priority status. Any interested
73.5 person may provide additional information or request updated priority status about the
73.6 individual to the executive medical director's office or a designee while the individual is
73.7 awaiting admission. Updated priority status of an individual will only be disclosed to
73.8 interested persons who are legally authorized to receive private information about the
73.9 individual. When an available bed has been identified, the executive medical director's
73.10 office or a designee must notify the designated agency and the facility where the individual
73.11 is awaiting admission that the individual has been accepted for admission to a particular
73.12 state-operated direct care and treatment program and the earliest possible date the admission
73.13 can occur. The designated agency or facility where the individual is awaiting admission
73.14 must transport the individual to the admitting state-operated direct care and treatment
73.15 program no more than 48 hours after the offered admission date.

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

73.17 Sec. 42. Minnesota Statutes 2024, section 253B.141, subdivision 2, is amended to read:

73.18 Subd. 2. **Apprehension; return to facility or program.** (a) Upon receiving the report
73.19 of absence from the head of the treatment facility, state-operated treatment program, or
73.20 community-based treatment program or the committing court, a patient may be apprehended
73.21 and held by a peace officer in any jurisdiction pending return to the facility or program from
73.22 which the patient is absent without authorization. A patient may also be returned to any
73.23 state-operated treatment program or any other treatment facility or community-based
73.24 treatment program willing to accept the person. A person who has a mental illness and is
73.25 dangerous to the public and detained under this subdivision may be held in a jail or lockup
73.26 only if:

73.27 (1) there is no other feasible place of detention for the patient;

73.28 (2) the detention is for less than 24 hours; and

73.29 (3) there are protections in place, including segregation of the patient, to ensure the
73.30 safety of the patient.

73.31 (b) If a patient is detained under this subdivision, the head of the facility or program
73.32 from which the patient is absent shall arrange to pick up the patient within 24 hours of the
73.33 time detention was begun and shall be responsible for securing transportation for the patient

74.1 to the facility or program. The expense of detaining and transporting a patient shall be the
 74.2 responsibility of the facility or program from which the patient is absent. The expense of
 74.3 detaining and transporting a patient to a state-operated treatment program shall be paid by
 74.4 the ~~commissioner~~ executive board unless paid by the patient or persons on behalf of the
 74.5 patient.

74.6 **EFFECTIVE DATE.** This section is effective July 1, 2025.

74.7 Sec. 43. Minnesota Statutes 2024, section 253B.18, subdivision 6, is amended to read:

74.8 Subd. 6. **Transfer.** (a) A patient who is a person who has a mental illness and is
 74.9 dangerous to the public shall not be transferred out of a secure treatment facility unless it
 74.10 appears to the satisfaction of the executive board, after a hearing and favorable
 74.11 recommendation by a majority of the special review board, that the transfer is appropriate.
 74.12 Transfer may be to another state-operated treatment program. In those instances where a
 74.13 commitment also exists to the Department of Corrections, transfer may be to a facility
 74.14 designated by the commissioner of corrections.

74.15 (b) The following factors must be considered in determining whether a transfer is
 74.16 appropriate:

74.17 (1) the person's clinical progress and present treatment needs;

74.18 (2) the need for security to accomplish continuing treatment;

74.19 (3) the need for continued institutionalization;

74.20 (4) which facility can best meet the person's needs; and

74.21 (5) whether transfer can be accomplished with a reasonable degree of safety for the
 74.22 public.

74.23 (c) If a committed person has been transferred out of a secure treatment facility pursuant
 74.24 to this subdivision, that committed person may voluntarily return to a secure treatment
 74.25 facility for a period of up to 60 days with the consent of the head of the treatment facility.

74.26 (d) If the committed person is not returned to the original, nonsecure transfer facility
 74.27 within 60 days of being readmitted to a secure treatment facility, the transfer is revoked and
 74.28 the committed person must remain in a secure treatment facility. The committed person
 74.29 must immediately be notified in writing of the revocation.

74.30 (e) Within 15 days of receiving notice of the revocation, the committed person may
 74.31 petition the special review board for a review of the revocation. The special review board
 74.32 shall review the circumstances of the revocation and shall recommend to the ~~commissioner~~

75.1 executive board whether or not the revocation should be upheld. The special review board
75.2 may also recommend a new transfer at the time of the revocation hearing.

75.3 (f) No action by the special review board is required if the transfer has not been revoked
75.4 and the committed person is returned to the original, nonsecure transfer facility with no
75.5 substantive change to the conditions of the transfer ordered under this subdivision.

75.6 (g) The head of the treatment facility may revoke a transfer made under this subdivision
75.7 and require a committed person to return to a secure treatment facility if:

75.8 (1) remaining in a nonsecure setting does not provide a reasonable degree of safety to
75.9 the committed person or others; or

75.10 (2) the committed person has regressed clinically and the facility to which the committed
75.11 person was transferred does not meet the committed person's needs.

75.12 (h) Upon the revocation of the transfer, the committed person must be immediately
75.13 returned to a secure treatment facility. A report documenting the reasons for revocation
75.14 must be issued by the head of the treatment facility within seven days after the committed
75.15 person is returned to the secure treatment facility. Advance notice to the committed person
75.16 of the revocation is not required.

75.17 (i) The committed person must be provided a copy of the revocation report and informed,
75.18 orally and in writing, of the rights of a committed person under this section. The revocation
75.19 report must be served upon the committed person, the committed person's counsel, and the
75.20 designated agency. The report must outline the specific reasons for the revocation, including
75.21 but not limited to the specific facts upon which the revocation is based.

75.22 (j) If a committed person's transfer is revoked, the committed person may re-petition for
75.23 transfer according to subdivision 5.

75.24 (k) A committed person aggrieved by a transfer revocation decision may petition the
75.25 special review board within seven business days after receipt of the revocation report for a
75.26 review of the revocation. The matter must be scheduled within 30 days. The special review
75.27 board shall review the circumstances leading to the revocation and, after considering the
75.28 factors in paragraph (b), shall recommend to the ~~commissioner~~ executive board whether or
75.29 not the revocation shall be upheld. The special review board may also recommend a new
75.30 transfer out of a secure treatment facility at the time of the revocation hearing.

75.31 **EFFECTIVE DATE.** This section is effective July 1, 2025.

76.1 Sec. 44. Minnesota Statutes 2024, section 253B.19, subdivision 2, is amended to read:

76.2 Subd. 2. **Petition; hearing.** (a) A patient committed as a person who has a mental illness
76.3 and is dangerous to the public under section 253B.18, or the county attorney of the county
76.4 from which the patient was committed or the county of financial responsibility, may petition
76.5 the judicial appeal panel for a rehearing and reconsideration of a decision by the
76.6 ~~commissioner~~ executive board under section 253B.18, subdivision 5. The judicial appeal
76.7 panel must not consider petitions for relief other than those considered by the executive
76.8 board from which the appeal is taken. The petition must be filed with the supreme court
76.9 within 30 days after the decision of the executive board is signed. The hearing must be held
76.10 within 45 days of the filing of the petition unless an extension is granted for good cause.

76.11 (b) For an appeal under paragraph (a), the supreme court shall refer the petition to the
76.12 chief judge of the judicial appeal panel. The chief judge shall notify the patient, the county
76.13 attorney of the county of commitment, the designated agency, the executive board, the head
76.14 of the facility or program to which the patient was committed, any interested person, and
76.15 other persons the chief judge designates, of the time and place of the hearing on the petition.
76.16 The notice shall be given at least 14 days prior to the date of the hearing.

76.17 (c) Any person may oppose the petition. The patient, the patient's counsel, the county
76.18 attorney of the committing county or the county of financial responsibility, and the executive
76.19 board shall participate as parties to the proceeding pending before the judicial appeal panel
76.20 and shall, except when the patient is committed solely as a person who has a mental illness
76.21 and is dangerous to the public, no later than 20 days before the hearing on the petition,
76.22 inform the judicial appeal panel and the opposing party in writing whether they support or
76.23 oppose the petition and provide a summary of facts in support of their position. The judicial
76.24 appeal panel may appoint court examiners and may adjourn the hearing from time to time.
76.25 It shall hear and receive all relevant testimony and evidence and make a record of all
76.26 proceedings. The patient, the patient's counsel, and the county attorney of the committing
76.27 county or the county of financial responsibility have the right to be present and may present
76.28 and cross-examine all witnesses and offer a factual and legal basis in support of their
76.29 positions. The petitioning party seeking discharge or provisional discharge bears the burden
76.30 of going forward with the evidence, which means presenting a prima facie case with
76.31 competent evidence to show that the person is entitled to the requested relief. If the petitioning
76.32 party has met this burden, the party opposing discharge or provisional discharge bears the
76.33 burden of proof by clear and convincing evidence that the discharge or provisional discharge
76.34 should be denied. A party seeking transfer under section 253B.18, subdivision 6, must
76.35 establish by a preponderance of the evidence that the transfer is appropriate.

77.1 **EFFECTIVE DATE.** This section is effective July 1, 2025.

77.2 Sec. 45. Minnesota Statutes 2024, section 253D.14, subdivision 3, is amended to read:

77.3 Subd. 3. **Notice of discharge or release.** Before provisionally discharging, discharging,
 77.4 ~~granting pass-eligible status, approving a pass plan,~~ or otherwise permanently or temporarily
 77.5 releasing a person committed under this chapter from a treatment facility, the executive
 77.6 director shall make a reasonable effort to notify any victim of a crime for which the person
 77.7 was convicted that the person may be discharged or released and that the victim has a right
 77.8 to submit a written statement regarding decisions of the executive director, or ~~special review~~
 77.9 ~~board~~ judicial appeal panel, with respect to the person. To the extent possible, the notice
 77.10 must be provided at least 14 days before any ~~special review board~~ judicial appeal panel
 77.11 hearing ~~or before a determination on a pass plan.~~ Notwithstanding section 611A.06,
 77.12 subdivision 4, the executive board shall provide the judicial appeal panel with victim
 77.13 information in order to comply with the provisions of this chapter. The judicial appeal panel
 77.14 shall ensure that the data on victims remains private as provided for in section 611A.06,
 77.15 subdivision 4. This subdivision applies only to victims who have submitted a written request
 77.16 for notification as provided in subdivision 2a.

77.17 Sec. 46. Minnesota Statutes 2024, section 253D.27, subdivision 2, is amended to read:

77.18 Subd. 2. **Filing.** A petition for a reduction in custody or an appeal of a revocation of
 77.19 provisional discharge or revocation of transfer to a nonsecure facility may be filed by either
 77.20 the committed person or by the executive director and must be filed with and considered
 77.21 by ~~a panel of the special review board authorized under section 253B.18, subdivision 4e~~
 77.22 judicial appeal panel established under section 253B.19, subdivision 1. A committed person
 77.23 may not petition the ~~special review board~~ judicial appeal panel any sooner than six months
 77.24 following either:

77.25 (1) the entry of judgment in the district court of the order for commitment issued under
 77.26 section 253D.07, subdivision 5, or upon the exhaustion of all related appeal rights in state
 77.27 court relating to that order, whichever is later; or

77.28 (2) any ~~recommendation of the special review board~~ or order of the judicial appeal panel,
 77.29 or upon the exhaustion of all appeal rights in state court, whichever is later. The executive
 77.30 director may petition at any time. ~~The special review board proceedings are not contested~~
 77.31 ~~cases as defined in chapter 14.~~

78.1 Sec. 47. Minnesota Statutes 2024, section 253D.28, is amended to read:

78.2 **253D.28 JUDICIAL APPEAL PANEL.**

78.3 Subdivision 1. **Rehearing and reconsideration.** (a) A person committed as a sexually
 78.4 dangerous person or a person with a sexual psychopathic personality under this chapter, or
 78.5 committed as both mentally ill and dangerous to the public under section 253B.18 and as
 78.6 a sexually dangerous person or a person with a sexual psychopathic personality under this
 78.7 chapter; the county attorney of the county from which the person was committed or the
 78.8 county of financial responsibility; or the executive board may petition the judicial appeal
 78.9 panel established under section 253B.19, subdivision 1, for a ~~rehearing and reconsideration~~
 78.10 ~~of a recommendation of the special review board under section 253D.27~~ reduction in custody.

78.11 (b) ~~The petition must be filed with the supreme court within 30 days after the~~
 78.12 ~~recommendation is mailed by the executive board as required in section 253D.27, subdivision~~
 78.13 ~~4.~~ The hearing must be held within 180 days of the filing of the petition unless an extension
 78.14 is granted for good cause.

78.15 (c) ~~If no party petitions the judicial appeal panel for a rehearing or reconsideration within~~
 78.16 ~~30 days, the judicial appeal panel shall either issue an order adopting the recommendations~~
 78.17 ~~of the special review board or set the matter on for a hearing pursuant to this section.~~

78.18 Subd. 2. **Procedure.** (a) ~~The supreme court shall refer a petition for rehearing and~~
 78.19 ~~reconsideration to the chief judge of the judicial appeal panel. The chief judge shall~~ Upon
 78.20 receiving a petition for reduction in custody, the chief judge of the judicial appeal panel
 78.21 shall schedule a hearing and notify the committing court, the committed person, the county
 78.22 attorneys of the county of commitment and county of financial responsibility, the executive
 78.23 board, the executive director, any interested person, and other persons the chief judge
 78.24 designates, of the time and place of the hearing on the petition. The notice shall be given
 78.25 at least 14 days prior to the date of the hearing. The hearing may be conducted by interactive
 78.26 video conference under General Rules of Practice, rule 131, and Minnesota Rules of Civil
 78.27 Commitment, rule 14.

78.28 (b) ~~Any person may oppose the petition.~~ The committed person, the committed person's
 78.29 counsel, the county attorneys of the committing county and county of financial responsibility,
 78.30 and the executive board shall participate as parties to the proceeding pending before the
 78.31 judicial appeal panel and shall, no later than 20 days before the hearing on the petition,
 78.32 inform the judicial appeal panel and the opposing party in writing whether they support or
 78.33 oppose the petition and provide a summary of facts in support of their position.

79.1 (c) The judicial appeal panel may appoint court examiners and may adjourn the hearing
 79.2 from time to time. It shall hear and receive all relevant testimony and evidence and make
 79.3 a record of all proceedings. The committed person, the committed person's counsel, ~~and~~ the
 79.4 county attorney of the committing county or the county of financial responsibility, and the
 79.5 executive board have the right to be present and may present and cross-examine all witnesses
 79.6 and offer a factual and legal basis in support of their positions.

79.7 (d) The petitioning party seeking discharge under section 253D.31 or provisional
 79.8 discharge under section 253D.30 bears the burden of going forward with the evidence,
 79.9 which means presenting a prima facie case with competent evidence to show that the person
 79.10 is entitled to the requested relief. If the petitioning party has met this burden, the party
 79.11 opposing discharge or provisional discharge bears the burden of proof by clear and
 79.12 convincing evidence that the discharge or provisional discharge should be denied.

79.13 (e) A party seeking transfer under section 253D.29 must establish by a preponderance
 79.14 of the evidence that the transfer is appropriate.

79.15 Subd. 3. **Decision.** A majority of the judicial appeal panel shall rule upon the petition.
 79.16 ~~The panel shall consider the petition de novo. No order of the judicial appeal panel granting~~
 79.17 ~~a transfer, discharge, or provisional discharge shall be made effective sooner than 15 days~~
 79.18 ~~after it is issued. The panel may not consider petitions for relief other than those considered~~
 79.19 ~~by the special review board from which the appeal is taken. The judicial appeal panel may~~
 79.20 ~~not grant a transfer or provisional discharge on terms or conditions that were not presented~~
 79.21 ~~to the special review board.~~

79.22 Subd. 4. **Appeal.** A party aggrieved by an order of the judicial appeal panel may appeal
 79.23 that order as provided under section 253B.19, subdivision 5.

79.24 Sec. 48. Minnesota Statutes 2024, section 253D.29, subdivision 1, is amended to read:

79.25 Subdivision 1. **Factors.** (a) A person who is committed as a sexually dangerous person
 79.26 or a person with a sexual psychopathic personality shall not be transferred out of a secure
 79.27 treatment facility unless the transfer is appropriate. Transfer may be to ~~other treatment~~
 79.28 ~~programs~~ a facility under the control of the executive board.

79.29 (b) The following factors must be considered in determining whether a transfer is
 79.30 appropriate:

79.31 (1) the person's clinical progress and present treatment needs;

79.32 (2) the need for security to accomplish continuing treatment;

- 80.1 (3) the need for continued institutionalization;
- 80.2 (4) which ~~other treatment program~~ facility can best meet the person's needs; and
- 80.3 (5) whether transfer can be accomplished with a reasonable degree of safety for the
- 80.4 public.

80.5 Sec. 49. Minnesota Statutes 2024, section 253D.29, subdivision 2, is amended to read:

80.6 Subd. 2. **Voluntary readmission to a secure treatment facility.** (a) After a committed

80.7 person has been transferred out of a secure treatment facility pursuant to subdivision 1 and

80.8 with the consent of the executive director, a committed person may voluntarily return to a

80.9 secure treatment facility for a period of up to 60 days.

80.10 (b) If the committed person is not returned to the ~~other treatment program~~ secure treatment

80.11 facility to which the person was originally transferred pursuant to subdivision 1 within 60

80.12 days of being readmitted to a secure treatment facility under this subdivision, the transfer

80.13 to the ~~other treatment program~~ secure treatment facility under subdivision 1 is revoked and

80.14 the committed person shall remain in a secure treatment facility. The committed person

80.15 shall immediately be notified in writing of the revocation.

80.16 (c) Within 15 days of receiving notice of the revocation, the committed person may

80.17 petition the ~~special review board~~ judicial appeal panel for a review of the revocation. The

80.18 ~~special review board~~ judicial appeal panel shall review the circumstances of the revocation

80.19 and ~~shall recommend to the judicial appeal panel~~ determine whether ~~or not~~ the revocation

80.20 shall be upheld. The ~~special review board~~ judicial appeal panel may also ~~recommend~~ grant

80.21 a new transfer at the time of the revocation hearing.

80.22 (d) If the transfer has not been revoked and the committed person is to be returned to

80.23 the ~~other treatment program~~ facility to which the committed person was originally transferred

80.24 pursuant to subdivision 1 with no substantive change to the conditions of the transfer ordered

80.25 pursuant to subdivision 1, no action by the ~~special review board~~ or judicial appeal panel is

80.26 required.

80.27 Sec. 50. Minnesota Statutes 2024, section 253D.29, subdivision 3, is amended to read:

80.28 Subd. 3. **Revocation.** (a) The executive director may revoke a transfer made pursuant

80.29 to subdivision 1 and require a committed person to return to a secure treatment facility if:

- 80.30 (1) remaining in a nonsecure setting will not provide a reasonable degree of safety to
- 80.31 the committed person or others; or

81.1 (2) the committed person has regressed in clinical progress so that the ~~other treatment~~
 81.2 ~~program~~ facility to which the committed person was transferred is no longer sufficient to
 81.3 meet the committed person's needs.

81.4 (b) Upon the revocation of the transfer, the committed person shall be immediately
 81.5 returned to a secure treatment facility. A report documenting reasons for revocation shall
 81.6 be issued by the executive director within seven days after the committed person is returned
 81.7 to the secure treatment facility. Advance notice to the committed person of the revocation
 81.8 is not required.

81.9 (c) The committed person must be provided a copy of the revocation report and informed,
 81.10 orally and in writing, of the rights of a committed person under this section. The revocation
 81.11 report shall be served upon the committed person and the committed person's counsel. The
 81.12 report shall outline the specific reasons for the revocation including, but not limited to, the
 81.13 specific facts upon which the revocation is based.

81.14 (d) If a committed person's transfer is revoked, the committed person may re-petition
 81.15 for transfer according to section 253D.27.

81.16 (e) Any committed person aggrieved by a transfer revocation decision may petition the
 81.17 ~~special review board~~ judicial appeal panel within seven days, exclusive of Saturdays,
 81.18 Sundays, and legal holidays, after receipt of the revocation report for a review of the
 81.19 revocation. The matter shall be scheduled within 30 days. The ~~special review board~~ judicial
 81.20 appeal panel shall review the circumstances leading to the revocation and, after considering
 81.21 the factors in subdivision 1, paragraph (b), shall ~~recommend to the judicial appeal panel~~
 81.22 determine whether ~~or not~~ the revocation shall be upheld. The ~~special review board~~ judicial
 81.23 appeal panel may also ~~recommend~~ grant a new transfer out of a secure treatment facility at
 81.24 the time of the revocation hearing.

81.25 Sec. 51. Minnesota Statutes 2024, section 253D.30, subdivision 3, is amended to read:

81.26 Subd. 3. **Review.** A provisional discharge pursuant to this chapter shall not automatically
 81.27 terminate. A full discharge shall occur only as provided in section 253D.31. The terms of
 81.28 a provisional discharge continue unless the committed person requests and is granted a
 81.29 change in the conditions of provisional discharge or unless the committed person petitions
 81.30 the ~~special review board~~ judicial appeal panel for a full discharge and the discharge is granted
 81.31 ~~by the judicial appeal panel.~~

82.1 Sec. 52. Minnesota Statutes 2024, section 253D.30, subdivision 4, is amended to read:

82.2 Subd. 4. **Voluntary readmission.** (a) With the consent of the executive director, a
82.3 committed person may voluntarily return to ~~the Minnesota Sex Offender Program~~ a secure
82.4 treatment facility from provisional discharge for a period of up to 60 days.

82.5 (b) If the committed person is not returned to provisional discharge status within 60 days
82.6 of being readmitted to ~~the Minnesota Sex Offender Program~~ a secure treatment facility, the
82.7 provisional discharge is revoked. The committed person shall immediately be notified of
82.8 the revocation in writing. Within 15 days of receiving notice of the revocation, the committed
82.9 person may request a review of the matter before the ~~special review board~~ judicial appeal
82.10 panel. The ~~special review board~~ judicial appeal panel shall review the circumstances of the
82.11 revocation and, after applying the standards in subdivision 5, paragraph (a), shall ~~recommend~~
82.12 ~~to the judicial appeal panel~~ determine whether ~~or not~~ the revocation shall be upheld. The
82.13 ~~board~~ judicial appeal panel may ~~recommend~~ grant a return to provisional discharge status.

82.14 (c) If the provisional discharge has not been revoked and the committed person is to be
82.15 returned to provisional discharge, ~~the Minnesota Sex Offender Program is not required to~~
82.16 ~~petition for a further review by the special review board~~ no action by the judicial appeal
82.17 panel is required unless the committed person's return to the community results in substantive
82.18 change to the existing provisional discharge plan.

82.19 Sec. 53. Minnesota Statutes 2024, section 253D.30, subdivision 5, is amended to read:

82.20 Subd. 5. **Revocation.** (a) The executive director may revoke a provisional discharge if
82.21 either of the following grounds exist:

82.22 (1) the committed person has departed from the conditions of the provisional discharge
82.23 plan; or

82.24 (2) the committed person is exhibiting behavior which may be dangerous to self or
82.25 others.

82.26 (b) The executive director may revoke the provisional discharge and, either orally or in
82.27 writing, order that the committed person be immediately returned to a secure treatment
82.28 facility ~~or other treatment program~~. A report documenting reasons for revocation shall be
82.29 issued by the executive director within seven days after the committed person is returned
82.30 to the secure treatment facility ~~or other treatment program~~. Advance notice to the committed
82.31 person of the revocation is not required.

82.32 (c) The committed person must be provided a copy of the revocation report and informed,
82.33 orally and in writing, of the rights of a committed person under this section. The revocation

83.1 report shall be served upon the committed person, the committed person's counsel, and the
 83.2 county attorneys of the county of commitment and the county of financial responsibility.
 83.3 The report shall outline the specific reasons for the revocation, including but not limited to
 83.4 the specific facts upon which the revocation is based.

83.5 (d) An individual who is revoked from provisional discharge must successfully re-petition
 83.6 the ~~special review board~~ and judicial appeal panel prior to being placed back on provisional
 83.7 discharge.

83.8 Sec. 54. Minnesota Statutes 2024, section 253D.30, subdivision 6, is amended to read:

83.9 Subd. 6. **Appeal.** Any committed person aggrieved by a revocation decision or any
 83.10 interested person may petition the ~~special review board~~ judicial appeal panel within seven
 83.11 days, exclusive of Saturdays, Sundays, and legal holidays, after receipt of the revocation
 83.12 report for a review of the revocation. The matter shall be scheduled within 30 days. The
 83.13 ~~special review board~~ judicial appeal panel shall review the circumstances leading to the
 83.14 revocation and shall ~~recommend to the judicial appeal panel~~ determine whether ~~or not~~ the
 83.15 revocation shall be upheld. The ~~special review board~~ judicial appeal panel may also
 83.16 ~~recommend~~ grant a new provisional discharge at the time of the revocation hearing.

83.17 Sec. 55. Minnesota Statutes 2024, section 253D.31, is amended to read:

83.18 **253D.31 DISCHARGE.**

83.19 A person who is committed as a sexually dangerous person or a person with a sexual
 83.20 psychopathic personality shall not be discharged unless it appears to the satisfaction of the
 83.21 judicial appeal panel, ~~after a hearing and recommendation by a majority of the special review~~
 83.22 ~~board~~, that the committed person is capable of making an acceptable adjustment to open
 83.23 society, is no longer dangerous to the public, and is no longer in need of treatment and
 83.24 supervision.

83.25 In determining whether a discharge shall be ~~recommended~~ granted, the ~~special review~~
 83.26 ~~board~~ and judicial appeal panel shall consider whether specific conditions exist to provide
 83.27 a reasonable degree of protection to the public and to assist the committed person in adjusting
 83.28 to the community. If the desired conditions do not exist, the discharge shall not be granted.

83.29 Sec. 56. Minnesota Statutes 2024, section 256.01, subdivision 2, is amended to read:

83.30 Subd. 2. **Specific powers.** Subject to the provisions of section 241.021, subdivision 2,
 83.31 the commissioner of human services shall carry out the specific duties in paragraphs (a)
 83.32 through (bb):

84.1 (a) Administer and supervise the forms of public assistance provided for by state law
84.2 and other welfare activities or services that are vested in the commissioner. Administration
84.3 and supervision of human services activities or services includes, but is not limited to,
84.4 assuring timely and accurate distribution of benefits, completeness of service, and quality
84.5 program management. In addition to administering and supervising human services activities
84.6 vested by law in the department, the commissioner shall have the authority to:

84.7 (1) require county agency participation in training and technical assistance programs to
84.8 promote compliance with statutes, rules, federal laws, regulations, and policies governing
84.9 human services;

84.10 (2) monitor, on an ongoing basis, the performance of county agencies in the operation
84.11 and administration of human services, enforce compliance with statutes, rules, federal laws,
84.12 regulations, and policies governing welfare services and promote excellence of administration
84.13 and program operation;

84.14 (3) develop a quality control program or other monitoring program to review county
84.15 performance and accuracy of benefit determinations;

84.16 (4) require county agencies to make an adjustment to the public assistance benefits issued
84.17 to any individual consistent with federal law and regulation and state law and rule and to
84.18 issue or recover benefits as appropriate;

84.19 (5) delay or deny payment of all or part of the state and federal share of benefits and
84.20 administrative reimbursement according to the procedures set forth in section 256.017;

84.21 (6) make contracts with and grants to public and private agencies and organizations,
84.22 both profit and nonprofit, and individuals, using appropriated funds; and

84.23 (7) enter into contractual agreements with federally recognized Indian Tribes with a
84.24 reservation in Minnesota to the extent necessary for the Tribe to operate a federally approved
84.25 family assistance program or any other program under the supervision of the commissioner.
84.26 The commissioner shall consult with the affected county or counties in the contractual
84.27 agreement negotiations, if the county or counties wish to be included, in order to avoid the
84.28 duplication of county and Tribal assistance program services. The commissioner may
84.29 establish necessary accounts for the purposes of receiving and disbursing funds as necessary
84.30 for the operation of the programs.

84.31 The commissioner shall work in conjunction with the commissioner of children, youth, and
84.32 families to carry out the duties of this paragraph when necessary and feasible.

85.1 (b) Inform county agencies, on a timely basis, of changes in statute, rule, federal law,
85.2 regulation, and policy necessary to county agency administration of the programs.

85.3 (c) Administer and supervise all noninstitutional service to persons with disabilities,
85.4 including persons who have vision impairments, and persons who are deaf, deafblind, and
85.5 hard-of-hearing or with other disabilities. The commissioner may provide and contract for
85.6 the care and treatment of qualified indigent children in facilities other than those located
85.7 and available at state hospitals operated by the executive board when it is not feasible to
85.8 provide the service in state hospitals operated by the executive board.

85.9 (d) Assist and actively cooperate with other departments, agencies and institutions, local,
85.10 state, and federal, by performing services in conformity with the purposes of Laws 1939,
85.11 chapter 431.

85.12 (e) Act as the agent of and cooperate with the federal government in matters of mutual
85.13 concern relative to and in conformity with the provisions of Laws 1939, chapter 431,
85.14 including the administration of any federal funds granted to the state to aid in the performance
85.15 of any functions of the commissioner as specified in Laws 1939, chapter 431, and including
85.16 the promulgation of rules making uniformly available medical care benefits to all recipients
85.17 of public assistance, at such times as the federal government increases its participation in
85.18 assistance expenditures for medical care to recipients of public assistance, the cost thereof
85.19 to be borne in the same proportion as are grants of aid to said recipients.

85.20 (f) Establish and maintain any administrative units reasonably necessary for the
85.21 performance of administrative functions common to all divisions of the department.

85.22 (g) Act as designated guardian of both the estate and the person of all the wards of the
85.23 state of Minnesota, whether by operation of law or by an order of court, without any further
85.24 act or proceeding whatever, except as to persons committed as developmentally disabled.

85.25 (h) Act as coordinating referral and informational center on requests for service for
85.26 newly arrived immigrants coming to Minnesota.

85.27 (i) The specific enumeration of powers and duties as hereinabove set forth shall in no
85.28 way be construed to be a limitation upon the general transfer of powers herein contained.

85.29 (j) Establish county, regional, or statewide schedules of maximum fees and charges
85.30 which may be paid by county agencies for medical, dental, surgical, hospital, nursing and
85.31 nursing home care and medicine and medical supplies under all programs of medical care
85.32 provided by the state and for congregate living care under the income maintenance programs.

86.1 (k) Have the authority to conduct and administer experimental projects to test methods
86.2 and procedures of administering assistance and services to recipients or potential recipients
86.3 of public welfare. To carry out such experimental projects, it is further provided that the
86.4 commissioner of human services is authorized to waive the enforcement of existing specific
86.5 statutory program requirements, rules, and standards in one or more counties. The order
86.6 establishing the waiver shall provide alternative methods and procedures of administration,
86.7 shall not be in conflict with the basic purposes, coverage, or benefits provided by law, and
86.8 in no event shall the duration of a project exceed four years. It is further provided that no
86.9 order establishing an experimental project as authorized by the provisions of this section
86.10 shall become effective until the following conditions have been met:

86.11 (1) the United States Secretary of Health and Human Services has agreed, for the same
86.12 project, to waive state plan requirements relative to statewide uniformity; and

86.13 (2) a comprehensive plan, including estimated project costs, shall be approved by the
86.14 Legislative Advisory Commission and filed with the commissioner of administration.

86.15 (l) According to federal requirements and in coordination with the commissioner of
86.16 children, youth, and families, establish procedures to be followed by local welfare boards
86.17 in creating citizen advisory committees, including procedures for selection of committee
86.18 members.

86.19 (m) Allocate federal fiscal disallowances or sanctions which are based on quality control
86.20 error rates for medical assistance in the following manner:

86.21 (1) one-half of the total amount of the disallowance shall be borne by the county boards
86.22 responsible for administering the programs. Disallowances shall be shared by each county
86.23 board in the same proportion as that county's expenditures for the sanctioned program are
86.24 to the total of all counties' expenditures for medical assistance. Each county shall pay its
86.25 share of the disallowance to the state of Minnesota. When a county fails to pay the amount
86.26 due hereunder, the commissioner may deduct the amount from reimbursement otherwise
86.27 due the county, or the attorney general, upon the request of the commissioner, may institute
86.28 civil action to recover the amount due; and

86.29 (2) notwithstanding the provisions of clause (1), if the disallowance results from knowing
86.30 noncompliance by one or more counties with a specific program instruction, and that knowing
86.31 noncompliance is a matter of official county board record, the commissioner may require
86.32 payment or recover from the county or counties, in the manner prescribed in clause (1), an
86.33 amount equal to the portion of the total disallowance which resulted from the noncompliance,
86.34 and may distribute the balance of the disallowance according to clause (1).

87.1 (n) Develop and implement special projects that maximize reimbursements and result
87.2 in the recovery of money to the state. For the purpose of recovering state money, the
87.3 commissioner may enter into contracts with third parties. Any recoveries that result from
87.4 projects or contracts entered into under this paragraph shall be deposited in the state treasury
87.5 and credited to a special account until the balance in the account reaches \$1,000,000. When
87.6 the balance in the account exceeds \$1,000,000, the excess shall be transferred and credited
87.7 to the general fund. All money in the account is appropriated to the commissioner for the
87.8 purposes of this paragraph.

87.9 (o) Have the authority to establish and enforce the following county reporting
87.10 requirements:

87.11 (1) the commissioner shall establish fiscal and statistical reporting requirements necessary
87.12 to account for the expenditure of funds allocated to counties for human services programs.
87.13 When establishing financial and statistical reporting requirements, the commissioner shall
87.14 evaluate all reports, in consultation with the counties, to determine if the reports can be
87.15 simplified or the number of reports can be reduced;

87.16 (2) the county board shall submit monthly or quarterly reports to the department as
87.17 required by the commissioner. Monthly reports are due no later than 15 working days after
87.18 the end of the month. Quarterly reports are due no later than 30 calendar days after the end
87.19 of the quarter, unless the commissioner determines that the deadline must be shortened to
87.20 20 calendar days to avoid jeopardizing compliance with federal deadlines or risking a loss
87.21 of federal funding. Only reports that are complete, legible, and in the required format shall
87.22 be accepted by the commissioner;

87.23 (3) if the required reports are not received by the deadlines established in clause (2), the
87.24 commissioner may delay payments and withhold funds from the county board until the next
87.25 reporting period. When the report is needed to account for the use of federal funds and the
87.26 late report results in a reduction in federal funding, the commissioner shall withhold from
87.27 the county boards with late reports an amount equal to the reduction in federal funding until
87.28 full federal funding is received;

87.29 (4) a county board that submits reports that are late, illegible, incomplete, or not in the
87.30 required format for two out of three consecutive reporting periods is considered
87.31 noncompliant. When a county board is found to be noncompliant, the commissioner shall
87.32 notify the county board of the reason the county board is considered noncompliant and
87.33 request that the county board develop a corrective action plan stating how the county board
87.34 plans to correct the problem. The corrective action plan must be submitted to the

88.1 commissioner within 45 days after the date the county board received notice of
88.2 noncompliance;

88.3 (5) the final deadline for fiscal reports or amendments to fiscal reports is one year after
88.4 the date the report was originally due. If the commissioner does not receive a report by the
88.5 final deadline, the county board forfeits the funding associated with the report for that
88.6 reporting period and the county board must repay any funds associated with the report
88.7 received for that reporting period;

88.8 (6) the commissioner may not delay payments, withhold funds, or require repayment
88.9 under clause (3) or (5) if the county demonstrates that the commissioner failed to provide
88.10 appropriate forms, guidelines, and technical assistance to enable the county to comply with
88.11 the requirements. If the county board disagrees with an action taken by the commissioner
88.12 under clause (3) or (5), the county board may appeal the action according to sections 14.57
88.13 to 14.69; and

88.14 (7) counties subject to withholding of funds under clause (3) or forfeiture or repayment
88.15 of funds under clause (5) shall not reduce or withhold benefits or services to clients to cover
88.16 costs incurred due to actions taken by the commissioner under clause (3) or (5).

88.17 (p) Allocate federal fiscal disallowances or sanctions for audit exceptions when federal
88.18 fiscal disallowances or sanctions are based on a statewide random sample in direct proportion
88.19 to each county's claim for that period.

88.20 (q) Be responsible for ensuring the detection, prevention, investigation, and resolution
88.21 of fraudulent activities or behavior by applicants, recipients, and other participants in the
88.22 human services programs administered by the department.

88.23 (r) Require county agencies to identify overpayments, establish claims, and utilize all
88.24 available and cost-beneficial methodologies to collect and recover these overpayments in
88.25 the human services programs administered by the department.

88.26 (s) Have the authority to administer the federal drug rebate program for drugs purchased
88.27 under the medical assistance program as allowed by section 1927 of title XIX of the Social
88.28 Security Act and according to the terms and conditions of section 1927. Rebates shall be
88.29 collected for all drugs that have been dispensed or administered in an outpatient setting and
88.30 that are from manufacturers who have signed a rebate agreement with the United States
88.31 Department of Health and Human Services.

88.32 (t) Have the authority to administer a supplemental drug rebate program for drugs
88.33 purchased under the medical assistance program. The commissioner may enter into

89.1 supplemental rebate contracts with pharmaceutical manufacturers and may require prior
89.2 authorization for drugs that are from manufacturers that have not signed a supplemental
89.3 rebate contract. Prior authorization of drugs shall be subject to the provisions of section
89.4 256B.0625, subdivision 13.

89.5 (u) Operate the department's communication systems account established in Laws 1993,
89.6 First Special Session chapter 1, article 1, section 2, subdivision 2, to manage shared
89.7 communication costs necessary for the operation of the programs the commissioner
89.8 supervises. Each account must be used to manage shared communication costs necessary
89.9 for the operations of the programs the commissioner supervises. The commissioner may
89.10 distribute the costs of operating and maintaining communication systems to participants in
89.11 a manner that reflects actual usage. Costs may include acquisition, licensing, insurance,
89.12 maintenance, repair, staff time and other costs as determined by the commissioner. Nonprofit
89.13 organizations and state, county, and local government agencies involved in the operation
89.14 of programs the commissioner supervises may participate in the use of the department's
89.15 communications technology and share in the cost of operation. The commissioner may
89.16 accept on behalf of the state any gift, bequest, devise or personal property of any kind, or
89.17 money tendered to the state for any lawful purpose pertaining to the communication activities
89.18 of the department. Any money received for this purpose must be deposited in the department's
89.19 communication systems accounts. Money collected by the commissioner for the use of
89.20 communication systems must be deposited in the state communication systems account and
89.21 is appropriated to the commissioner for purposes of this section.

89.22 (v) Receive any federal matching money that is made available through the medical
89.23 assistance program for the consumer satisfaction survey. Any federal money received for
89.24 the survey is appropriated to the commissioner for this purpose. The commissioner may
89.25 expend the federal money received for the consumer satisfaction survey in either year of
89.26 the biennium.

89.27 (w) Designate community information and referral call centers and incorporate cost
89.28 reimbursement claims from the designated community information and referral call centers
89.29 into the federal cost reimbursement claiming processes of the department according to
89.30 federal law, rule, and regulations. Existing information and referral centers provided by
89.31 Greater Twin Cities United Way or existing call centers for which Greater Twin Cities
89.32 United Way has legal authority to represent, shall be included in these designations upon
89.33 review by the commissioner and assurance that these services are accredited and in
89.34 compliance with national standards. Any reimbursement is appropriated to the commissioner
89.35 and all designated information and referral centers shall receive payments according to

90.1 normal department schedules established by the commissioner upon final approval of
 90.2 allocation methodologies from the United States Department of Health and Human Services
 90.3 Division of Cost Allocation or other appropriate authorities.

90.4 (x) Develop recommended standards for adult foster care homes that address the
 90.5 components of specialized therapeutic services to be provided by adult foster care homes
 90.6 with those services.

90.7 (y) Authorize the method of payment to or from the department as part of the human
 90.8 services programs administered by the department. This authorization includes the receipt
 90.9 or disbursement of funds held by the department in a fiduciary capacity as part of the human
 90.10 services programs administered by the department.

90.11 (z) Designate the agencies that operate the Senior LinkAge Line under section 256.975,
 90.12 subdivision 7, and the Disability Hub under subdivision 24 as the state of Minnesota Aging
 90.13 and Disability Resource Center under United States Code, title 42, section 3001, the Older
 90.14 Americans Act Amendments of 2006, and incorporate cost reimbursement claims from the
 90.15 designated centers into the federal cost reimbursement claiming processes of the department
 90.16 according to federal law, rule, and regulations. Any reimbursement must be appropriated
 90.17 to the commissioner and treated consistent with section 256.011. All Aging and Disability
 90.18 Resource Center designated agencies shall receive payments of grant funding that supports
 90.19 the activity and generates the federal financial participation according to Board on Aging
 90.20 administrative granting mechanisms.

90.21 **EFFECTIVE DATE.** This section is effective July 1, 2025.

90.22 Sec. 57. Minnesota Statutes 2024, section 256.01, subdivision 5, is amended to read:

90.23 Subd. 5. **Gifts, contributions, pensions and benefits; acceptance.** The commissioner
 90.24 may receive and accept on behalf of patients and residents at the several state hospitals for
 90.25 persons with mental illness or developmental disabilities during the period of their
 90.26 hospitalization and while on provisional discharge therefrom, money due and payable to
 90.27 them as old age and survivors insurance benefits, veterans benefits, pensions or other such
 90.28 monetary benefits. Such gifts, contributions, pensions and benefits shall be deposited in and
 90.29 disbursed from the social welfare fund provided for in sections 256.88 to 256.92.

90.30 **EFFECTIVE DATE.** This section is effective July 1, 2025.

91.1 Sec. 58. Minnesota Statutes 2024, section 256.019, subdivision 1, is amended to read:

91.2 Subdivision 1. **Retention rates.** When an assistance recovery amount is collected and
 91.3 posted by a county agency under the provisions governing public assistance programs
 91.4 including general assistance medical care formerly codified in chapter 256D, general
 91.5 assistance, and Minnesota supplemental aid, the county may keep one-half of the recovery
 91.6 made by the county agency using any method other than recoupment. For medical assistance,
 91.7 if the recovery is made by a county agency using any method other than recoupment, the
 91.8 county may keep one-half of the nonfederal share of the recovery. For MinnesotaCare, if
 91.9 the recovery is collected and posted by the county agency, the county may keep one-half
 91.10 of the nonfederal share of the recovery.

91.11 This does not apply to recoveries from medical providers or to recoveries begun by the
 91.12 Department of Human Services' Surveillance and Utilization Review Division, ~~State Hospital~~
 91.13 ~~Collections Unit~~, and the Benefit Recoveries Division ~~or, by the~~ Direct Care and Treatment
 91.14 State Hospital Collections Unit, the attorney general's office, or child support collections.

91.15 **EFFECTIVE DATE.** This section is effective July 1, 2025.

91.16 Sec. 59. Minnesota Statutes 2024, section 256.0281, is amended to read:

91.17 **256.0281 INTERAGENCY DATA EXCHANGE.**

91.18 (a) The Department of Human Services, the Department of Health, Direct Care and
 91.19 Treatment, and the Office of the Ombudsman for Mental Health and Developmental
 91.20 Disabilities may establish interagency agreements governing the electronic exchange of
 91.21 data on providers and individuals collected, maintained, or used by each agency when such
 91.22 exchange is outlined by each agency in an interagency agreement to accomplish the purposes
 91.23 in clauses (1) to (4):

91.24 (1) to improve provider enrollment processes for home and community-based services
 91.25 and state plan home care services;

91.26 (2) to improve quality management of providers between state agencies;

91.27 (3) to establish and maintain provider eligibility to participate as providers under
 91.28 Minnesota health care programs; or

91.29 (4) to meet the quality assurance reporting requirements under federal law under section
 91.30 1915(c) of the Social Security Act related to home and community-based waiver programs.

91.31 (b) Each interagency agreement must include provisions to ensure anonymity of
 91.32 individuals, including mandated reporters, and must outline the specific uses of and access

92.1 to shared data within each agency. Electronic interfaces between source data systems
 92.2 developed under these interagency agreements must incorporate these provisions as well
 92.3 as other HIPAA provisions related to individual data.

92.4 **EFFECTIVE DATE.** This section is effective July 1, 2025.

92.5 Sec. 60. Minnesota Statutes 2024, section 256.0451, subdivision 1, is amended to read:

92.6 Subdivision 1. **Scope.** (a) The requirements in this section apply to all fair hearings and
 92.7 appeals under sections 142A.20, subdivision 2, and 256.045, subdivision 3, paragraph (a),
 92.8 clauses (1), (2), (3), (5), (6), (7), (10), and (12). Except as provided in subdivisions 3 and
 92.9 19, the requirements under this section apply to fair hearings and appeals under section
 92.10 256.045, subdivision 3, paragraph (a), clauses (4), (8), (9), and (11).

92.11 (b) For purposes of this section, "person" means an individual who, on behalf of
 92.12 themselves or their household, is appealing or disputing or challenging an action, a decision,
 92.13 or a failure to act, by an agency ~~in the human services system~~ subject to this section. When
 92.14 a person involved in a proceeding under this section is represented by an attorney or by an
 92.15 authorized representative, the term "person" also means the person's attorney or authorized
 92.16 representative. Any notice sent to the person involved in the hearing must also be sent to
 92.17 the person's attorney or authorized representative.

92.18 (c) For purposes of this section, "agency" means ~~the~~ a county human services agency,
 92.19 ~~the~~ a state ~~human services~~ agency, and, where applicable, any entity involved under a
 92.20 contract, subcontract, grant, or subgrant with the state agency or with a county agency, that
 92.21 provides or operates programs or services in which appeals are governed by section 256.045.

92.22 (d) For purposes of this section, "state agency" means the Department of Human Services;
 92.23 the Department of Health; the Department of Education; the Department of Children, Youth,
 92.24 and Families; or Direct Care and Treatment.

92.25 **EFFECTIVE DATE.** This section is effective July 1, 2025.

92.26 Sec. 61. Minnesota Statutes 2024, section 256.0451, subdivision 3, is amended to read:

92.27 Subd. 3. **Agency appeal summary.** (a) Except in fair hearings and appeals under section
 92.28 256.045, subdivision 3, paragraph (a), clauses (4), (9), and (10), the agency involved in an
 92.29 appeal must prepare a state agency appeal summary for each fair hearing appeal. The state
 92.30 agency appeal summary shall be mailed or otherwise delivered to the person who is involved
 92.31 in the appeal at least three working days before the date of the hearing. The state agency
 92.32 appeal summary must also be mailed or otherwise delivered to the ~~department's~~ Department

93.1 of Human Services' Appeals Office at least three working days before the date of the fair
93.2 hearing appeal.

93.3 (b) In addition, the human services judge shall confirm that the state agency appeal
93.4 summary is mailed or otherwise delivered to the person involved in the appeal as required
93.5 under paragraph (a). The person involved in the fair hearing should be provided, through
93.6 the state agency appeal summary or other reasonable methods, appropriate information
93.7 about the procedures for the fair hearing and an adequate opportunity to prepare. These
93.8 requirements apply equally to the state agency or an entity under contract when involved
93.9 in the appeal.

93.10 (c) The contents of the state agency appeal summary must be adequate to inform the
93.11 person involved in the appeal of the evidence on which the agency relies and the legal basis
93.12 for the agency's action or determination.

93.13 **EFFECTIVE DATE.** This section is effective July 1, 2025.

93.14 Sec. 62. Minnesota Statutes 2024, section 256.0451, subdivision 6, is amended to read:

93.15 Subd. 6. **Appeal request for emergency assistance or urgent matter.** (a) When an
93.16 appeal involves an application for emergency assistance, the agency involved shall mail or
93.17 otherwise deliver the state agency appeal summary to the ~~department's~~ Department of Human
93.18 Services' Appeals Office within two working days of receiving the request for an appeal.
93.19 A person may also request that a fair hearing be held on an emergency basis when the issue
93.20 requires an immediate resolution. The human services judge shall schedule the fair hearing
93.21 on the earliest available date according to the urgency of the issue involved. Issuance of the
93.22 recommended decision after an emergency hearing shall be expedited.

93.23 (b) The applicable commissioner or executive board shall issue a written decision within
93.24 five working days of receiving the recommended decision, shall immediately inform the
93.25 parties of the outcome by telephone, and shall mail the decision no later than two working
93.26 days following the date of the decision.

93.27 **EFFECTIVE DATE.** This section is effective July 1, 2025.

93.28 Sec. 63. Minnesota Statutes 2024, section 256.0451, subdivision 8, is amended to read:

93.29 Subd. 8. **Subpoenas.** A person involved in a fair hearing or the agency may request a
93.30 subpoena for a witness, for evidence, or for both. A reasonable number of subpoenas shall
93.31 be issued to require the attendance and the testimony of witnesses, and the production of
93.32 evidence relating to any issue of fact in the appeal hearing. The request for a subpoena must

94.1 show a need for the subpoena and the general relevance to the issues involved. The subpoena
 94.2 shall be issued in the name of the Department of Human Services and shall be served and
 94.3 enforced as provided in section 357.22 and the Minnesota Rules of Civil Procedure.

94.4 An individual or entity served with a subpoena may petition the human services judge
 94.5 in writing to vacate or modify a subpoena. The human services judge shall resolve such a
 94.6 petition in a prehearing conference involving all parties and shall make a written decision.
 94.7 A subpoena may be vacated or modified if the human services judge determines that the
 94.8 testimony or evidence sought does not relate with reasonable directness to the issues of the
 94.9 fair hearing appeal; that the subpoena is unreasonable, over broad, or oppressive; that the
 94.10 evidence sought is repetitious or cumulative; or that the subpoena has not been served
 94.11 reasonably in advance of the time when the appeal hearing will be held.

94.12 **EFFECTIVE DATE.** This section is effective July 1, 2025.

94.13 Sec. 64. Minnesota Statutes 2024, section 256.0451, subdivision 9, is amended to read:

94.14 Subd. 9. **No ex parte contact.** The human services judge shall not have ex parte contact
 94.15 on substantive issues with the agency or with any person or witness in a fair hearing appeal.
 94.16 No employee of ~~the Department~~ or an agency shall review, interfere with, change, or attempt
 94.17 to influence the recommended decision of the human services judge in any fair hearing
 94.18 appeal, except through the procedure allowed in subdivision 18. The limitations in this
 94.19 subdivision do not affect the applicable commissioner's or executive board's authority to
 94.20 review or reconsider decisions or make final decisions.

94.21 **EFFECTIVE DATE.** This section is effective July 1, 2025.

94.22 Sec. 65. Minnesota Statutes 2024, section 256.0451, subdivision 18, is amended to read:

94.23 Subd. 18. **Inviting comment by ~~department~~ state agency.** The human services judge
 94.24 or the applicable commissioner or executive board may determine that a written comment
 94.25 by the ~~department~~ state agency about the policy implications of a specific legal issue could
 94.26 help resolve a pending appeal. Such a written policy comment from the ~~department~~ state
 94.27 agency shall be obtained only by a written request that is also sent to the person involved
 94.28 and to the agency or its representative. When such a written comment is received, both the
 94.29 person involved in the hearing and the agency shall have adequate opportunity to review,
 94.30 evaluate, and respond to the written comment, including submission of additional testimony
 94.31 or evidence, and cross-examination concerning the written comment.

94.32 **EFFECTIVE DATE.** This section is effective July 1, 2025.

95.1 Sec. 66. Minnesota Statutes 2024, section 256.0451, subdivision 22, is amended to read:

95.2 Subd. 22. **Decisions.** A timely, written decision must be issued in every appeal. Each
95.3 decision must contain a clear ruling on the issues presented in the appeal hearing and should
95.4 contain a ruling only on questions directly presented by the appeal and the arguments raised
95.5 in the appeal.

95.6 (a) A written decision must be issued within 90 days of the date the person involved
95.7 requested the appeal unless a shorter time is required by law. An additional 30 days is
95.8 provided in those cases where the applicable commissioner or executive board refuses to
95.9 accept the recommended decision. In appeals of maltreatment determinations or
95.10 disqualifications filed pursuant to section 256.045, subdivision 3, paragraph (a), clause (4),
95.11 (8), or (9), that also give rise to possible licensing actions, the 90-day period for issuing
95.12 final decisions does not begin until the later of the date that the licensing authority provides
95.13 notice to the appeals division that the authority has made the final determination in the
95.14 matter or the date the appellant files the last appeal in the consolidated matters.

95.15 (b) The decision must contain both findings of fact and conclusions of law, clearly
95.16 separated and identified. The findings of fact must be based on the entire record. Each
95.17 finding of fact made by the human services judge shall be supported by a preponderance
95.18 of the evidence unless a different standard is required under the regulations of a particular
95.19 program. The "preponderance of the evidence" means, in light of the record as a whole, the
95.20 evidence leads the human services judge to believe that the finding of fact is more likely to
95.21 be true than not true. The legal claims or arguments of a participant do not constitute either
95.22 a finding of fact or a conclusion of law, except to the extent the human services judge adopts
95.23 an argument as a finding of fact or conclusion of law.

95.24 The decision shall contain at least the following:

95.25 (1) a listing of the date and place of the hearing and the participants at the hearing;

95.26 (2) a clear and precise statement of the issues, including the dispute under consideration
95.27 and the specific points which must be resolved in order to decide the case;

95.28 (3) a listing of the material, including exhibits, records, reports, placed into evidence at
95.29 the hearing, and upon which the hearing decision is based;

95.30 (4) the findings of fact based upon the entire hearing record. The findings of fact must
95.31 be adequate to inform the participants and any interested person in the public of the basis
95.32 of the decision. If the evidence is in conflict on an issue which must be resolved, the findings
95.33 of fact must state the reasoning used in resolving the conflict;

96.1 (5) conclusions of law that address the legal authority for the hearing and the ruling, and
 96.2 which give appropriate attention to the claims of the participants to the hearing;

96.3 (6) a clear and precise statement of the decision made resolving the dispute under
 96.4 consideration in the hearing; and

96.5 (7) written notice of the right to appeal to district court or to request reconsideration,
 96.6 and of the actions required and the time limits for taking appropriate action to appeal to
 96.7 district court or to request a reconsideration.

96.8 (c) The human services judge shall not independently investigate facts or otherwise rely
 96.9 on information not presented at the hearing. The human services judge may not contact
 96.10 other agency personnel, except as provided in subdivision 18. The human services judge's
 96.11 recommended decision must be based exclusively on the testimony and evidence presented
 96.12 at the hearing, and legal arguments presented, and the human services judge's research and
 96.13 knowledge of the law.

96.14 (d) The applicable commissioner ~~will~~ or executive board must review the recommended
 96.15 decision and accept or refuse to accept the decision according to section 142A.20, subdivision
 96.16 3, or 256.045, subdivision 5 or 5a.

96.17 **EFFECTIVE DATE.** This section is effective July 1, 2025.

96.18 Sec. 67. Minnesota Statutes 2024, section 256.0451, subdivision 23, is amended to read:

96.19 Subd. 23. **Refusal to accept recommended orders.** (a) If the applicable commissioner
 96.20 or executive board refuses to accept the recommended order from the human services judge,
 96.21 the person involved, the person's attorney or authorized representative, and the agency shall
 96.22 be sent a copy of the recommended order, a detailed explanation of the basis for refusing
 96.23 to accept the recommended order, and the proposed modified order.

96.24 (b) The person involved and the agency shall have at least ten business days to respond
 96.25 to the proposed modification of the recommended order. The person involved and the agency
 96.26 may submit a legal argument concerning the proposed modification, and may propose to
 96.27 submit additional evidence that relates to the proposed modified order.

96.28 **EFFECTIVE DATE.** This section is effective July 1, 2025.

96.29 Sec. 68. Minnesota Statutes 2024, section 256.0451, subdivision 24, is amended to read:

96.30 Subd. 24. **Reconsideration.** (a) Reconsideration may be requested within 30 days of
 96.31 the date of the applicable commissioner's or executive board's final order. If reconsideration

97.1 is requested under section 142A.20, subdivision 3, or 256.045, subdivision 5 or 5a, the other
97.2 participants in the appeal shall be informed of the request. The person seeking reconsideration
97.3 has the burden to demonstrate why the matter should be reconsidered. The request for
97.4 reconsideration may include legal argument and may include proposed additional evidence
97.5 supporting the request. The other participants shall be sent a copy of all material submitted
97.6 in support of the request for reconsideration and must be given ten days to respond.

97.7 (b) When the requesting party raises a question as to the appropriateness of the findings
97.8 of fact, the applicable commissioner or executive board shall review the entire record.

97.9 (c) When the requesting party questions the appropriateness of a conclusion of law, the
97.10 applicable commissioner or executive board shall consider the recommended decision, the
97.11 decision under reconsideration, and the material submitted in connection with the
97.12 reconsideration. The applicable commissioner or executive board shall review the remaining
97.13 record as necessary to issue a reconsidered decision.

97.14 (d) The applicable commissioner or executive board shall issue a written decision on
97.15 reconsideration in a timely fashion. The decision must clearly inform the parties that this
97.16 constitutes the final administrative decision, advise the participants of the right to seek
97.17 judicial review, and the deadline for doing so.

97.18 **EFFECTIVE DATE.** This section is effective July 1, 2025.

97.19 Sec. 69. Minnesota Statutes 2024, section 256.4825, is amended to read:

97.20 **256.4825 REPORT REGARDING PROGRAMS AND SERVICES FOR PEOPLE**
97.21 **WITH DISABILITIES.**

97.22 The Minnesota State Council on Disability, the Minnesota Consortium for Citizens with
97.23 Disabilities, and the Arc of Minnesota may submit an annual report by January 15 of each
97.24 year, beginning in 2012, to the chairs and ranking minority members of the legislative
97.25 committees with jurisdiction over programs serving people with disabilities as provided in
97.26 this section. The report must describe the existing state policies and goals for programs
97.27 serving people with disabilities including, but not limited to, programs for employment,
97.28 transportation, housing, education, quality assurance, consumer direction, physical and
97.29 programmatic access, and health. The report must provide data and measurements to assess
97.30 the extent to which the policies and goals are being met. The commissioner of human
97.31 services, the Direct Care and Treatment executive board, and the commissioners of other
97.32 state agencies administering programs for people with disabilities shall cooperate with the
97.33 Minnesota State Council on Disability, the Minnesota Consortium for Citizens with

98.1 Disabilities, and the Arc of Minnesota and provide those organizations with existing
 98.2 published information and reports that will assist in the preparation of the report.

98.3 **EFFECTIVE DATE.** This section is effective July 1, 2025.

98.4 Sec. 70. Minnesota Statutes 2024, section 256.93, subdivision 1, is amended to read:

98.5 Subdivision 1. **Limitations.** In any case where the guardianship of any child with a
 98.6 developmental disability or who is disabled, dependent, neglected or delinquent, or a child
 98.7 born to a mother who was not married to the child's father when the child was conceived
 98.8 nor when the child was born, has been ~~committed~~ appointed to the commissioner of human
 98.9 services, and in any case where the guardianship of any person with a developmental
 98.10 disability has been ~~committed~~ appointed to the commissioner of human services, the court
 98.11 having jurisdiction of the estate may on such notice as the court may direct, authorize the
 98.12 commissioner to take possession of the personal property in the estate, liquidate it, and hold
 98.13 the proceeds in trust for the ward, to be invested, expended and accounted for as provided
 98.14 by sections 256.88 to 256.92.

98.15 **EFFECTIVE DATE.** This section is effective July 1, 2025.

98.16 Sec. 71. Minnesota Statutes 2024, section 256.98, subdivision 7, is amended to read:

98.17 Subd. 7. **Division of recovered amounts.** Except for recoveries under chapter 142E, if
 98.18 the state is responsible for the recovery, the amounts recovered shall be paid to the appropriate
 98.19 units of government. If the recovery is directly attributable to a county, the county may
 98.20 retain one-half of the nonfederal share of any recovery from a recipient or the recipient's
 98.21 estate.

98.22 This subdivision does not apply to recoveries from medical providers or to recoveries
 98.23 involving the Department of Human ~~services,~~ Services' Surveillance and Utilization Review
 98.24 Division, ~~state hospital collections unit,~~ and the Benefit Recoveries Division or the Direct
 98.25 Care and Treatment State Hospital Collections Unit.

98.26 **EFFECTIVE DATE.** This section is effective July 1, 2025.

98.27 Sec. 72. Minnesota Statutes 2024, section 256B.092, subdivision 10, is amended to read:

98.28 Subd. 10. **Admission of persons to and discharge of persons from regional treatment**
 98.29 **centers.** (a) Prior to the admission of a person to a regional treatment center program for
 98.30 persons with developmental disabilities, the case manager shall make efforts to secure
 98.31 community-based alternatives. If these alternatives are rejected by the person, the person's

99.1 legal guardian or conservator, or the county agency in favor of a regional treatment center
99.2 placement, the case manager shall document the reasons why the alternatives were rejected.

99.3 (b) Assessment and support planning must be completed in accordance with requirements
99.4 identified in section 256B.0911.

99.5 (c) No discharge shall take place until disputes are resolved under section 256.045,
99.6 subdivision 4a, or until a review by the ~~commissioner~~ Direct Care and Treatment executive
99.7 board is completed upon request of the chief executive officer or program director of the
99.8 regional treatment center, or the county agency. For persons under public guardianship, the
99.9 ombudsman may request a review or hearing under section 256.045.

99.10 **EFFECTIVE DATE.** This section is effective July 1, 2025.

99.11 Sec. 73. Minnesota Statutes 2024, section 256G.09, subdivision 4, is amended to read:

99.12 Subd. 4. **Appeals.** A local agency that is aggrieved by the order of ~~the~~ a department or
99.13 the executive board may appeal the opinion to the district court of the county responsible
99.14 for furnishing assistance or services by serving a written copy of a notice of appeal on ~~the~~
99.15 a commissioner or the executive board and any adverse party of record within 30 days after
99.16 the date the department issued the opinion, and by filing the original notice and proof of
99.17 service with the court administrator of district court. Service may be made personally or by
99.18 mail. Service by mail is complete upon mailing.

99.19 ~~The~~ A commissioner or the executive board may elect to become a party to the
99.20 proceedings in district court. The court may consider the matter in or out of chambers and
99.21 shall take no new or additional evidence.

99.22 **EFFECTIVE DATE.** This section is effective July 1, 2025.

99.23 Sec. 74. Minnesota Statutes 2024, section 256G.09, subdivision 5, is amended to read:

99.24 Subd. 5. **Payment pending appeal.** After ~~the~~ a department or the executive board issues
99.25 an opinion in any submission under this section, the service or assistance covered by the
99.26 submission must be provided or paid pending or during an appeal to the district court.

99.27 **EFFECTIVE DATE.** This section is effective July 1, 2025.

99.28 Sec. 75. Minnesota Statutes 2024, section 299F.77, subdivision 2, is amended to read:

99.29 Subd. 2. **Background check.** (a) For licenses issued by the commissioner under section
99.30 299F.73, the applicant for licensure must provide the commissioner with all of the
99.31 information required by Code of Federal Regulations, title 28, section 25.7. The commissioner

100.1 shall forward the information to the superintendent of the Bureau of Criminal Apprehension
 100.2 so that criminal records, histories, and warrant information on the applicant can be retrieved
 100.3 from the Minnesota Crime Information System and the National Instant Criminal Background
 100.4 Check System, as well as the civil commitment records maintained by ~~the Department of~~
 100.5 ~~Human Services~~ Direct Care and Treatment. The results must be returned to the commissioner
 100.6 to determine if the individual applicant is qualified to receive a license.

100.7 (b) For permits issued by a county sheriff or chief of police under section 299F.75, the
 100.8 applicant for a permit must provide the county sheriff or chief of police with all of the
 100.9 information required by Code of Federal Regulations, title 28, section 25.7. The county
 100.10 sheriff or chief of police must check, by means of electronic data transfer, criminal records,
 100.11 histories, and warrant information on each applicant through the Minnesota Crime
 100.12 Information System and the National Instant Criminal Background Check System, as well
 100.13 as the civil commitment records maintained by ~~the Department of Human Services~~ Direct
 100.14 Care and Treatment. The county sheriff or chief of police shall use the results of the query
 100.15 to determine if the individual applicant is qualified to receive a permit.

100.16 **EFFECTIVE DATE.** This section is effective July 1, 2025.

100.17 Sec. 76. Minnesota Statutes 2024, section 342.04, is amended to read:

100.18 **342.04 STUDIES; REPORTS.**

100.19 (a) The office shall conduct a study to determine the expected size and growth of the
 100.20 regulated cannabis industry and hemp consumer industry, including an estimate of the
 100.21 demand for cannabis flower and cannabis products, the number and geographic distribution
 100.22 of cannabis businesses needed to meet that demand, and the anticipated business from
 100.23 residents of other states.

100.24 (b) The office shall conduct a study to determine the size of the illicit cannabis market,
 100.25 the sources of illicit cannabis flower and illicit cannabis products in the state, the locations
 100.26 of citations issued and arrests made for cannabis offenses, and the subareas, such as census
 100.27 tracts or neighborhoods, that experience a disproportionately large amount of cannabis
 100.28 enforcement.

100.29 (c) The office shall conduct a study on impaired driving to determine:

100.30 (1) the number of accidents involving one or more drivers who admitted to using cannabis
 100.31 flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products,
 100.32 or who tested positive for cannabis or tetrahydrocannabinol;

101.1 (2) the number of arrests of individuals for impaired driving in which the individual
101.2 tested positive for cannabis or tetrahydrocannabinol; and

101.3 (3) the number of convictions for driving under the influence of cannabis flower, cannabis
101.4 products, lower-potency hemp edibles, hemp-derived consumer products, or
101.5 tetrahydrocannabinol.

101.6 (d) The office shall provide preliminary reports on the studies conducted pursuant to
101.7 paragraphs (a) to (c) to the legislature by January 15, 2024, and shall provide final reports
101.8 to the legislature by January 15, 2025. The reports may be consolidated into a single report
101.9 by the office.

101.10 (e) The office shall collect existing data from the Department of Human Services,
101.11 Department of Health, Direct Care and Treatment, Minnesota state courts, and hospitals
101.12 licensed under chapter 144 on the utilization of mental health and substance use disorder
101.13 services, emergency room visits, and commitments to identify any increase in the services
101.14 provided or any increase in the number of visits or commitments. The office shall also obtain
101.15 summary data from existing first episode psychosis programs on the number of persons
101.16 served by the programs and number of persons on the waiting list. All information collected
101.17 by the office under this paragraph shall be included in the report required under paragraph
101.18 (f).

101.19 (f) The office shall conduct an annual market analysis on the status of the regulated
101.20 cannabis industry and submit a report of the findings. The office shall submit the report by
101.21 January 15, 2025, and each January 15 thereafter and the report may be combined with the
101.22 annual report submitted by the office. The process of completing the market analysis must
101.23 include holding public meetings to solicit the input of consumers, market stakeholders, and
101.24 potential new applicants and must include an assessment as to whether the office has issued
101.25 the necessary number of licenses in order to:

101.26 (1) ensure the sufficient supply of cannabis flower and cannabis products to meet demand;

101.27 (2) provide market stability;

101.28 (3) ensure a competitive market; and

101.29 (4) limit the sale of unregulated cannabis flower and cannabis products.

101.30 (g) The office shall submit an annual report to the legislature by January 15, 2024, and
101.31 each January 15 thereafter. The annual report shall include but not be limited to the following:

101.32 (1) the status of the regulated cannabis industry;

- 102.1 (2) the status of the illicit cannabis market and hemp consumer industry;
- 102.2 (3) the number of accidents, arrests, and convictions involving drivers who admitted to
102.3 using cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived
102.4 consumer products or who tested positive for cannabis or tetrahydrocannabinol;
- 102.5 (4) the change in potency, if any, of cannabis flower and cannabis products available
102.6 through the regulated market;
- 102.7 (5) progress on providing opportunities to individuals and communities that experienced
102.8 a disproportionate, negative impact from cannabis prohibition, including but not limited to
102.9 providing relief from criminal convictions and increasing economic opportunities;
- 102.10 (6) the status of racial and geographic diversity in the cannabis industry;
- 102.11 (7) proposed legislative changes, including but not limited to recommendations to
102.12 streamline licensing systems and related administrative processes;
- 102.13 (8) information on the adverse effects of second-hand smoke from any cannabis flower,
102.14 cannabis products, and hemp-derived consumer products that are consumed by the
102.15 combustion or vaporization of the product and the inhalation of smoke, aerosol, or vapor
102.16 from the product; and
- 102.17 (9) recommendations for the levels of funding for:
- 102.18 (i) a coordinated education program to address and raise public awareness about the top
102.19 three adverse health effects, as determined by the commissioner of health, associated with
102.20 the use of cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived
102.21 consumer products by individuals under 21 years of age;
- 102.22 (ii) a coordinated education program to educate pregnant individuals, breastfeeding
102.23 individuals, and individuals who may become pregnant on the adverse health effects of
102.24 cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer
102.25 products;
- 102.26 (iii) training, technical assistance, and educational materials for home visiting programs,
102.27 Tribal home visiting programs, and child welfare workers regarding safe and unsafe use of
102.28 cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer
102.29 products in homes with infants and young children;
- 102.30 (iv) model programs to educate middle school and high school students on the health
102.31 effects on children and adolescents of the use of cannabis flower, cannabis products,

103.1 lower-potency hemp edibles, hemp-derived consumer products, and other intoxicating or
103.2 controlled substances;

103.3 (v) grants issued through the CanTrain, CanNavigate, CanStartup, and CanGrow
103.4 programs;

103.5 (vi) grants to organizations for community development in social equity communities
103.6 through the CanRenew program;

103.7 (vii) training of peace officers and law enforcement agencies on changes to laws involving
103.8 cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer
103.9 products and the law's impact on searches and seizures;

103.10 (viii) training of peace officers to increase the number of drug recognition experts;

103.11 (ix) training of peace officers on the cultural uses of sage and distinguishing use of sage
103.12 from the use of cannabis flower, including whether the Board of Peace Officer Standards
103.13 and Training should approve or develop training materials;

103.14 (x) the retirement and replacement of drug detection canines; and

103.15 (xi) the Department of Human Services and county social service agencies to address
103.16 any increase in demand for services.

103.17 (g) In developing the recommended funding levels under paragraph (f), clause (9), items
103.18 (vii) to (xi), the office shall consult with local law enforcement agencies, the Minnesota
103.19 Chiefs of Police Association, the Minnesota Sheriff's Association, the League of Minnesota
103.20 Cities, the Association of Minnesota Counties, and county social services agencies.

103.21 **EFFECTIVE DATE.** This section is effective July 1, 2025.

103.22 Sec. 77. Minnesota Statutes 2024, section 352.91, subdivision 3f, is amended to read:

103.23 Subd. 3f. **Additional Direct Care and Treatment personnel.** (a) "Covered correctional
103.24 service" means service by a state employee in one of the employment positions specified
103.25 in paragraph (b) in the state-operated forensic services program or the Minnesota Sex
103.26 Offender Program if at least 75 percent of the employee's working time is spent in direct
103.27 contact with patients and the determination of this direct contact is certified to the executive
103.28 director by the ~~commissioner of human services or~~ Direct Care and Treatment executive
103.29 board.

103.30 (b) The employment positions are:

103.31 (1) baker;

- 104.1 (2) behavior analyst 2;
- 104.2 (3) behavior analyst 3;
- 104.3 (4) certified occupational therapy assistant 1;
- 104.4 (5) certified occupational therapy assistant 2;
- 104.5 (6) client advocate;
- 104.6 (7) clinical program therapist 2;
- 104.7 (8) clinical program therapist 3;
- 104.8 (9) clinical program therapist 4;
- 104.9 (10) cook;
- 104.10 (11) culinary supervisor;
- 104.11 (12) customer services specialist principal;
- 104.12 (13) dental assistant registered;
- 104.13 (14) dental hygienist;
- 104.14 (15) food service worker;
- 104.15 (16) food services supervisor;
- 104.16 (17) group supervisor;
- 104.17 (18) group supervisor assistant;
- 104.18 (19) human services support specialist;
- 104.19 (20) licensed alcohol and drug counselor;
- 104.20 (21) licensed practical nurse;
- 104.21 (22) management analyst 3;
- 104.22 (23) music therapist;
- 104.23 (24) occupational therapist;
- 104.24 (25) occupational therapist, senior;
- 104.25 (26) physical therapist;
- 104.26 (27) psychologist 1;
- 104.27 (28) psychologist 2;

- 105.1 (29) psychologist 3;
- 105.2 (30) recreation program assistant;
- 105.3 (31) recreation therapist lead;
- 105.4 (32) recreation therapist senior;
- 105.5 (33) rehabilitation counselor senior;
- 105.6 (34) residential program lead;
- 105.7 (35) security supervisor;
- 105.8 (36) skills development specialist;
- 105.9 (37) social worker senior;
- 105.10 (38) social worker specialist;
- 105.11 (39) social worker specialist, senior;
- 105.12 (40) special education program assistant;
- 105.13 (41) speech pathology clinician;
- 105.14 (42) substance use disorder counselor senior;
- 105.15 (43) work therapy assistant; and
- 105.16 (44) work therapy program coordinator.

105.17 **EFFECTIVE DATE.** This section is effective July 1, 2025.

105.18 Sec. 78. Minnesota Statutes 2024, section 401.17, subdivision 1, is amended to read:

105.19 Subdivision 1. **Establishment; members.** (a) The commissioner must establish a
105.20 Community Supervision Advisory Committee to develop and make recommendations to
105.21 the commissioner on standards for probation, supervised release, and community supervision.

105.22 The committee consists of 19 members as follows:

105.23 (1) two directors appointed by the Minnesota Association of Community Corrections
105.24 Act Counties;

105.25 (2) two probation directors appointed by the Minnesota Association of County Probation
105.26 Officers;

105.27 (3) three county commissioner representatives appointed by the Association of Minnesota
105.28 Counties;

106.1 (4) two behavioral health, treatment, or programming providers who work directly with
 106.2 individuals on correctional supervision, one appointed by the ~~Department of Human Services~~
 106.3 Department of Corrections and one appointed by the Minnesota Association of County
 106.4 Social Service Administrators;

106.5 (5) two representatives appointed by the Minnesota Indian Affairs Council;

106.6 (6) two commissioner-appointed representatives from the Department of Corrections;

106.7 (7) the chair of the statewide Evidence-Based Practice Advisory Committee;

106.8 (8) three individuals who have been supervised, either individually or collectively, under
 106.9 each of the state's three community supervision delivery systems appointed by the
 106.10 commissioner in consultation with the Minnesota Association of County Probation Officers
 106.11 and the Minnesota Association of Community Corrections Act Counties;

106.12 (9) an advocate for victims of crime appointed by the commissioner; and

106.13 (10) a representative from a community-based research and advocacy entity appointed
 106.14 by the commissioner.

106.15 (b) When an appointing authority selects an individual for membership on the committee,
 106.16 the authority must make reasonable efforts to reflect geographic diversity and to appoint
 106.17 qualified members of protected groups, as defined under section 43A.02, subdivision 33.

106.18 (c) Chapter 15 applies to the extent consistent with this section.

106.19 (d) The commissioner must convene the first meeting of the committee on or before
 106.20 October 1, 2023.

106.21 **EFFECTIVE DATE.** This section is effective July 1, 2025.

106.22 Sec. 79. Minnesota Statutes 2024, section 507.071, subdivision 1, is amended to read:

106.23 Subdivision 1. **Definitions.** For the purposes of this section the following terms have
 106.24 the meanings given:

106.25 (a) "Beneficiary" or "grantee beneficiary" means a person or entity named as a grantee
 106.26 beneficiary in a transfer on death deed, including a successor grantee beneficiary.

106.27 (b) "County agency" means the county department or office designated to recover medical
 106.28 assistance benefits from the estates of decedents.

106.29 (c) "Grantor owner" means an owner, whether individually, as a joint tenant, or as a
 106.30 tenant in common, named as a grantor in a transfer on death deed upon whose death the
 106.31 conveyance or transfer of the described real property is conditioned. Grantor owner does

107.1 not include a spouse who joins in a transfer on death deed solely for the purpose of conveying
107.2 or releasing statutory or other marital interests in the real property to be conveyed or
107.3 transferred by the transfer on death deed.

107.4 (d) "Owner" means a person having an ownership or other interest in all or part of the
107.5 real property to be conveyed or transferred by a transfer on death deed either at the time the
107.6 deed is executed or at the time the transfer becomes effective. Owner does not include a
107.7 spouse who joins in a transfer on death deed solely for the purpose of conveying or releasing
107.8 statutory or other marital interests in the real property to be conveyed or transferred by the
107.9 transfer on death deed.

107.10 (e) "Property" and "interest in real property" mean any interest in real property located
107.11 in this state which is transferable on the death of the owner and includes, without limitation,
107.12 an interest in real property defined in chapter 500, a mortgage, a deed of trust, a security
107.13 interest in, or a security pledge of, an interest in real property, including the rights to
107.14 payments of the indebtedness secured by the security instrument, a judgment, a tax lien,
107.15 both the seller's and purchaser's interest in a contract for deed, land contract, purchase
107.16 agreement, or earnest money contract for the sale and purchase of real property, including
107.17 the rights to payments under such contracts, or any other lien on, or interest in, real property.

107.18 (f) "Recorded" means recorded in the office of the county recorder or registrar of titles,
107.19 as appropriate for the real property described in the instrument to be recorded.

107.20 (g) "State agency" means the Department of Human Services or any successor agency
107.21 or Direct Care and Treatment or any successor agency.

107.22 (h) "Transfer on death deed" means a deed authorized under this section.

107.23 **EFFECTIVE DATE.** This section is effective July 1, 2025.

107.24 Sec. 80. Minnesota Statutes 2024, section 611.57, subdivision 2, is amended to read:

107.25 Subd. 2. **Membership.** (a) The Certification Advisory Committee consists of the
107.26 following members:

107.27 (1) a mental health professional, as defined in section 245I.02, subdivision 27, with
107.28 community behavioral health experience, appointed by the governor;

107.29 (2) a board-certified forensic psychiatrist with experience in competency evaluations,
107.30 providing competency attainment services, or both, appointed by the governor;

107.31 (3) a board-certified forensic psychologist with experience in competency evaluations,
107.32 providing competency attainment services, or both, appointed by the governor;

- 108.1 (4) the president of the Minnesota Corrections Association or a designee;
- 108.2 (5) the Direct Care and Treatment ~~deputy commissioner~~ chief executive officer or a
- 108.3 designee;
- 108.4 (6) the president of the Minnesota Association of County Social Service Administrators
- 108.5 or a designee;
- 108.6 (7) the president of the Minnesota Association of Community Mental Health Providers
- 108.7 or a designee;
- 108.8 (8) the president of the Minnesota Sheriffs' Association or a designee; and
- 108.9 (9) the executive director of the National Alliance on Mental Illness Minnesota or a
- 108.10 designee.
- 108.11 (b) Members of the advisory committee serve without compensation and at the pleasure
- 108.12 of the appointing authority. Vacancies shall be filled by the appointing authority consistent
- 108.13 with the qualifications of the vacating member required by this subdivision.

108.14 **EFFECTIVE DATE.** This section is effective July 1, 2025.

108.15 Sec. 81. Minnesota Statutes 2024, section 611.57, subdivision 4, is amended to read:

108.16 Subd. 4. **Duties.** The Certification Advisory Committee shall consult with the Department

108.17 of Human Services, the Department of Health, ~~and~~ the Department of Corrections, and

108.18 Direct Care and Treatment; make recommendations to the Minnesota Competency Attainment

108.19 Board regarding competency attainment curriculum, certification requirements for

108.20 competency attainment programs including jail-based programs, and certification of

108.21 individuals to provide competency attainment services; and provide information and

108.22 recommendations on other issues relevant to competency attainment as requested by the

108.23 board.

108.24 **EFFECTIVE DATE.** This section is effective July 1, 2025.

108.25 Sec. 82. Minnesota Statutes 2024, section 624.7131, subdivision 1, is amended to read:

108.26 Subdivision 1. **Information.** Any person may apply for a transferee permit by providing

108.27 the following information in writing to the chief of police of an organized full time police

108.28 department of the municipality in which the person resides or to the county sheriff if there

108.29 is no such local chief of police:

- 108.30 (1) the name, residence, telephone number, and driver's license number or
- 108.31 nonqualification certificate number, if any, of the proposed transferee;

109.1 (2) the sex, date of birth, height, weight, and color of eyes, and distinguishing physical
109.2 characteristics, if any, of the proposed transferee;

109.3 (3) a statement that the proposed transferee authorizes the release to the local police
109.4 authority of commitment information about the proposed transferee maintained by the
109.5 ~~commissioner of human services~~ Direct Care and Treatment executive board, to the extent
109.6 that the information relates to the proposed transferee's eligibility to possess a pistol or
109.7 semiautomatic military-style assault weapon under section 624.713, subdivision 1; and

109.8 (4) a statement by the proposed transferee that the proposed transferee is not prohibited
109.9 by section 624.713 from possessing a pistol or semiautomatic military-style assault weapon.

109.10 The statements shall be signed and dated by the person applying for a permit. At the
109.11 time of application, the local police authority shall provide the applicant with a dated receipt
109.12 for the application. The statement under clause (3) must comply with any applicable
109.13 requirements of Code of Federal Regulations, title 42, sections 2.31 to 2.35, with respect
109.14 to consent to disclosure of alcohol or drug abuse patient records.

109.15 **EFFECTIVE DATE.** This section is effective July 1, 2025.

109.16 Sec. 83. Minnesota Statutes 2024, section 624.7131, subdivision 2, is amended to read:

109.17 Subd. 2. **Investigation.** The chief of police or sheriff shall check criminal histories,
109.18 records and warrant information relating to the applicant through the Minnesota Crime
109.19 Information System, the national criminal record repository, and the National Instant Criminal
109.20 Background Check System. The chief of police or sheriff shall also make a reasonable effort
109.21 to check other available state and local record-keeping systems. The chief of police or sheriff
109.22 shall obtain commitment information from the ~~commissioner of human services~~ Direct Care
109.23 and Treatment executive board as provided in section 246C.15.

109.24 **EFFECTIVE DATE.** This section is effective July 1, 2025.

109.25 Sec. 84. Minnesota Statutes 2024, section 624.7132, subdivision 1, is amended to read:

109.26 Subdivision 1. **Required information.** Except as provided in this section and section
109.27 624.7131, every person who agrees to transfer a pistol or semiautomatic military-style
109.28 assault weapon shall report the following information in writing to the chief of police of
109.29 the organized full-time police department of the municipality where the proposed transferee
109.30 resides or to the appropriate county sheriff if there is no such local chief of police:

109.31 (1) the name, residence, telephone number, and driver's license number or
109.32 nonqualification certificate number, if any, of the proposed transferee;

110.1 (2) the sex, date of birth, height, weight, and color of eyes, and distinguishing physical
110.2 characteristics, if any, of the proposed transferee;

110.3 (3) a statement that the proposed transferee authorizes the release to the local police
110.4 authority of commitment information about the proposed transferee maintained by the
110.5 ~~commissioner of human services~~ Direct Care and Treatment executive board, to the extent
110.6 that the information relates to the proposed transferee's eligibility to possess a pistol or
110.7 semiautomatic military-style assault weapon under section 624.713, subdivision 1;

110.8 (4) a statement by the proposed transferee that the transferee is not prohibited by section
110.9 624.713 from possessing a pistol or semiautomatic military-style assault weapon; and

110.10 (5) the address of the place of business of the transferor.

110.11 The report shall be signed and dated by the transferor and the proposed transferee. The
110.12 report shall be delivered by the transferor to the chief of police or sheriff no later than three
110.13 days after the date of the agreement to transfer, excluding weekends and legal holidays.

110.14 The statement under clause (3) must comply with any applicable requirements of Code of
110.15 Federal Regulations, title 42, sections 2.31 to 2.35, with respect to consent to disclosure of
110.16 alcohol or drug abuse patient records.

110.17 **EFFECTIVE DATE.** This section is effective July 1, 2025.

110.18 Sec. 85. Minnesota Statutes 2024, section 624.7132, subdivision 2, is amended to read:

110.19 Subd. 2. **Investigation.** Upon receipt of a transfer report, the chief of police or sheriff
110.20 shall check criminal histories, records and warrant information relating to the proposed
110.21 transferee through the Minnesota Crime Information System, the national criminal record
110.22 repository, and the National Instant Criminal Background Check System. The chief of police
110.23 or sheriff shall also make a reasonable effort to check other available state and local
110.24 record-keeping systems. The chief of police or sheriff shall obtain commitment information
110.25 from the ~~commissioner of human services~~ Direct Care and Treatment executive board as
110.26 provided in section 246C.15.

110.27 **EFFECTIVE DATE.** This section is effective July 1, 2025.

110.28 Sec. 86. Minnesota Statutes 2024, section 624.714, subdivision 3, is amended to read:

110.29 Subd. 3. **Form and contents of application.** (a) Applications for permits to carry must
110.30 be an official, standardized application form, adopted under section 624.7151, and must set
110.31 forth in writing only the following information:

111.1 (1) the applicant's name, residence, telephone number, if any, and driver's license number
111.2 or state identification card number;

111.3 (2) the applicant's sex, date of birth, height, weight, and color of eyes and hair, and
111.4 distinguishing physical characteristics, if any;

111.5 (3) the township or statutory city or home rule charter city, and county, of all Minnesota
111.6 residences of the applicant in the last five years, though not including specific addresses;

111.7 (4) the township or city, county, and state of all non-Minnesota residences of the applicant
111.8 in the last five years, though not including specific addresses;

111.9 (5) a statement that the applicant authorizes the release to the sheriff of commitment
111.10 information about the applicant maintained by the ~~commissioner of human services~~ Direct
111.11 Care and Treatment executive board or any similar agency or department of another state
111.12 where the applicant has resided, to the extent that the information relates to the applicant's
111.13 eligibility to possess a firearm; and

111.14 (6) a statement by the applicant that, to the best of the applicant's knowledge and belief,
111.15 the applicant is not prohibited by law from possessing a firearm.

111.16 (b) The statement under paragraph (a), clause (5), must comply with any applicable
111.17 requirements of Code of Federal Regulations, title 42, sections 2.31 to 2.35, with respect
111.18 to consent to disclosure of alcohol or drug abuse patient records.

111.19 (c) An applicant must submit to the sheriff an application packet consisting only of the
111.20 following items:

111.21 (1) a completed application form, signed and dated by the applicant;

111.22 (2) an accurate photocopy of the certificate described in subdivision 2a, paragraph (c),
111.23 that is submitted as the applicant's evidence of training in the safe use of a pistol; and

111.24 (3) an accurate photocopy of the applicant's current driver's license, state identification
111.25 card, or the photo page of the applicant's passport.

111.26 (d) In addition to the other application materials, a person who is otherwise ineligible
111.27 for a permit due to a criminal conviction but who has obtained a pardon or expungement
111.28 setting aside the conviction, sealing the conviction, or otherwise restoring applicable rights,
111.29 must submit a copy of the relevant order.

111.30 (e) Applications must be submitted in person.

111.31 (f) The sheriff may charge a new application processing fee in an amount not to exceed
111.32 the actual and reasonable direct cost of processing the application or \$100, whichever is

112.1 less. Of this amount, \$10 must be submitted to the commissioner and deposited into the
112.2 general fund.

112.3 (g) This subdivision prescribes the complete and exclusive set of items an applicant is
112.4 required to submit in order to apply for a new or renewal permit to carry. The applicant
112.5 must not be asked or required to submit, voluntarily or involuntarily, any information, fees,
112.6 or documentation beyond that specifically required by this subdivision. This paragraph does
112.7 not apply to alternate training evidence accepted by the sheriff under subdivision 2a,
112.8 paragraph (d).

112.9 (h) Forms for new and renewal applications must be available at all sheriffs' offices and
112.10 the commissioner must make the forms available on the Internet.

112.11 (i) Application forms must clearly display a notice that a permit, if granted, is void and
112.12 must be immediately returned to the sheriff if the permit holder is or becomes prohibited
112.13 by law from possessing a firearm. The notice must list the applicable state criminal offenses
112.14 and civil categories that prohibit a person from possessing a firearm.

112.15 (j) Upon receipt of an application packet and any required fee, the sheriff must provide
112.16 a signed receipt indicating the date of submission.

112.17 **EFFECTIVE DATE.** This section is effective July 1, 2025.

112.18 Sec. 87. Minnesota Statutes 2024, section 624.714, subdivision 4, is amended to read:

112.19 Subd. 4. **Investigation.** (a) The sheriff must check, by means of electronic data transfer,
112.20 criminal records, histories, and warrant information on each applicant through the Minnesota
112.21 Crime Information System and the National Instant Criminal Background Check System.
112.22 The sheriff shall also make a reasonable effort to check other available and relevant federal,
112.23 state, or local record-keeping systems. The sheriff must obtain commitment information
112.24 from the ~~commissioner of human services~~ Direct Care and Treatment executive board as
112.25 provided in section 246C.15 or, if the information is reasonably available, as provided by
112.26 a similar statute from another state.

112.27 (b) When an application for a permit is filed under this section, the sheriff must notify
112.28 the chief of police, if any, of the municipality where the applicant resides. The police chief
112.29 may provide the sheriff with any information relevant to the issuance of the permit.

112.30 (c) The sheriff must conduct a background check by means of electronic data transfer
112.31 on a permit holder through the Minnesota Crime Information System and the National
112.32 Instant Criminal Background Check System at least yearly to ensure continuing eligibility.

113.1 The sheriff may also conduct additional background checks by means of electronic data
113.2 transfer on a permit holder at any time during the period that a permit is in effect.

113.3 **EFFECTIVE DATE.** This section is effective July 1, 2025.

113.4 Sec. 88. Minnesota Statutes 2024, section 631.40, subdivision 3, is amended to read:

113.5 Subd. 3. **Departments of Human Services; Children, Youth, and Families; and**
113.6 **Health licensees.** When a person who is affiliated with a program or facility governed or
113.7 licensed by the Department of Human Services; Department of Children, Youth, and
113.8 Families; or Department of Health is convicted of a disqualifying crime, the probation
113.9 officer or corrections agent shall notify the commissioner of the conviction, as provided in
113.10 chapter 245C.

113.11 **EFFECTIVE DATE.** This section is effective July 1, 2025.

113.12 Sec. 89. **REVISOR INSTRUCTION.**

113.13 (a) The revisor of statutes shall renumber Minnesota Statutes, section 252.50, subdivision
113.14 5, as Minnesota Statutes, section 246C.11, subdivision 4a.

113.15 (b) The revisor of statutes shall renumber Minnesota Statutes, section 252.52, as
113.16 Minnesota Statutes, section 246C.191.

113.17 (c) The revisor of statutes shall make necessary cross-reference changes consistent with
113.18 the renumbering in this section.

113.19 **EFFECTIVE DATE.** This section is effective July 1, 2025.

113.20 Sec. 90. **REPEALER.**

113.21 (a) Minnesota Statutes 2024, sections 245.4862; 246.015, subdivision 3; 246.50,
113.22 subdivision 2; and 246B.04, subdivision 1a, are repealed.

113.23 (b) Laws 2024, chapter 79, article 1, sections 15; 16; and 17, are repealed.

113.24 **EFFECTIVE DATE.** This section is effective July 1, 2025.

113.25

ARTICLE 4

113.26

BEHAVIORAL HEALTH

113.27 Section 1. Minnesota Statutes 2024, section 144.651, subdivision 2, is amended to read:

113.28 Subd. 2. **Definitions.** For the purposes of this section, "patient" means a person who is
113.29 admitted to an acute care inpatient facility for a continuous period longer than 24 hours, for

114.1 the purpose of diagnosis or treatment bearing on the physical or mental health of that person.
 114.2 For purposes of subdivisions 4 to 9, 12, 13, 15, 16, and 18 to 20, "patient" also means a
 114.3 person who receives health care services at an outpatient surgical center or at a birth center
 114.4 licensed under section 144.615. "Patient" also means a minor who is admitted to a residential
 114.5 program as defined in section 253C.01. For purposes of subdivisions 1, 3 to 16, 18, 20 and
 114.6 30, "patient" also means any person who is receiving mental health treatment on an outpatient
 114.7 basis or in a community support program or other community-based program. "Resident"
 114.8 means a person who is admitted to a nonacute care facility including extended care facilities,
 114.9 nursing homes, and boarding care homes for care required because of prolonged mental or
 114.10 physical illness or disability, recovery from injury or disease, or advancing age. For purposes
 114.11 of all subdivisions except subdivisions 28 and 29, "resident" also means a person who is
 114.12 admitted to a facility licensed as a board and lodging facility under Minnesota Rules, parts
 114.13 4625.0100 to 4625.2355, a boarding care home under sections 144.50 to 144.56, or a
 114.14 supervised living facility under Minnesota Rules, parts 4665.0100 to 4665.9900, and which
 114.15 operates a rehabilitation program licensed under chapter 245G or 245I, or Minnesota Rules,
 114.16 parts 9530.6510 to 9530.6590. For purposes of all subdivisions except subdivisions 20, 28,
 114.17 29, 32, and 33, "resident" also means a person who is admitted to a facility licensed to
 114.18 provide intensive residential treatment services or residential crisis stabilization under section
 114.19 245I.23.

114.20 Sec. 2. Minnesota Statutes 2024, section 169A.284, is amended to read:

114.21 **169A.284 ~~CHEMICAL DEPENDENCY~~ CHEMICAL DEPENDENCY COMPREHENSIVE ASSESSMENT**
 114.22 **CHARGE; SURCHARGE.**

114.23 Subdivision 1. **When required.** (a) When a court sentences a person convicted of an
 114.24 offense enumerated in section 169A.70, subdivision 2 (~~chemical-use comprehensive~~
 114.25 ~~assessment; requirement; form~~), except as provided in paragraph (c), it shall order the person
 114.26 to pay the cost of the comprehensive assessment directly to the entity conducting the
 114.27 assessment or providing the assessment services in an amount determined by the entity
 114.28 conducting or providing the service and shall impose a ~~chemical dependency comprehensive~~
 114.29 assessment charge of \$25. The court may waive the \$25 comprehensive assessment charge,
 114.30 but may not waive the cost for the assessment paid directly to the entity conducting the
 114.31 assessment or providing assessment services. A person shall pay an additional surcharge
 114.32 of \$5 if the person is convicted of a violation of section 169A.20 (driving while impaired)
 114.33 within five years of a prior impaired driving conviction or a prior conviction for an offense
 114.34 arising out of an arrest for a violation of section 169A.20 or Minnesota Statutes 1998, section
 114.35 169.121 (driver under influence of alcohol or controlled substance) or 169.129 (aggravated

115.1 DWI-related violations; penalty). This section applies when the sentence is executed, stayed,
 115.2 or suspended. The court may not waive payment of or authorize payment in installments
 115.3 of the comprehensive assessment charge and surcharge ~~in installments~~ unless it makes
 115.4 written findings on the record that the convicted person is indigent or that the comprehensive
 115.5 assessment charge and surcharge would create undue hardship for the convicted person or
 115.6 that person's immediate family.

115.7 (b) The ~~chemical dependency~~ comprehensive assessment charge and surcharge required
 115.8 under this section are in addition to the surcharge required by section 357.021, subdivision
 115.9 6 (surcharges on criminal and traffic offenders).

115.10 (c) The court must not order the person convicted of an offense enumerated in section
 115.11 169A.70, subdivision 2 (comprehensive assessment; requirement; form), to pay the cost of
 115.12 the comprehensive assessment if the comprehensive assessment conducted is eligible for
 115.13 reimbursement under chapter 254B or 256B.

115.14 Subd. 2. **Distribution of money.** The court administrator shall collect and forward the
 115.15 ~~chemical dependency~~ comprehensive assessment charge and the \$5 surcharge, if any, to
 115.16 the commissioner of management and budget to be deposited in the state treasury and
 115.17 credited to the general fund.

115.18 Sec. 3. Minnesota Statutes 2024, section 245.462, subdivision 4, is amended to read:

115.19 Subd. 4. **Case management service provider.** (a) "Case management service provider"
 115.20 means a case manager or case manager associate employed by the county or other entity
 115.21 authorized by the county board to provide case management services specified in section
 115.22 245.4711.

115.23 (b) A case manager must:

115.24 (1) be skilled in the process of identifying and assessing a wide range of client needs;

115.25 (2) be knowledgeable about local community resources and how to use those resources
 115.26 for the benefit of the client;

115.27 (3) be a mental health practitioner as defined in section 245I.04, subdivision 4, or have
 115.28 a bachelor's degree in one of the behavioral sciences or related fields including, but not
 115.29 limited to, social work, psychology, or nursing from an accredited college or university. A
 115.30 case manager who is not a mental health practitioner ~~and~~ or who does not have a bachelor's
 115.31 degree in one of the behavioral sciences or related fields must meet the requirements of
 115.32 paragraph (c); and

116.1 (4) meet the supervision and continuing education requirements described in paragraphs
116.2 (d), (e), and (f), as applicable.

116.3 (c) Case managers without a bachelor's degree or with a bachelor's degree that is not in
116.4 one of the behavioral sciences or related fields must meet one of the requirements in clauses
116.5 (1) to ~~(3)~~ (5):

116.6 (1) have ~~three or~~ four years of experience as a case manager associate as defined in this
116.7 section;

116.8 (2) be a registered nurse without a bachelor's degree and have a combination of
116.9 specialized training in psychiatry and work experience consisting of community interaction
116.10 and involvement or community discharge planning in a mental health setting totaling three
116.11 years; ~~or~~

116.12 (3) be a person who qualified as a case manager under the 1998 Department of Human
116.13 Service waiver provision and meet the continuing education and mentoring requirements
116.14 in this section;

116.15 (4) prior to direct service delivery, complete at least 80 hours of specific training on the
116.16 characteristics and needs of adults with serious and persistent mental illness that is consistent
116.17 with national practices standards; or

116.18 (5) prior to direct service delivery, demonstrate competency in practice and knowledge
116.19 of the characteristics and needs of adults with serious and persistent mental illness, consistent
116.20 with national practices standards.

116.21 (d) A case manager with at least 2,000 hours of supervised experience in the delivery
116.22 of services to adults with mental illness must receive regular ongoing supervision and clinical
116.23 supervision totaling 38 hours per year of which at least one hour per month must be clinical
116.24 supervision regarding individual service delivery with a case management supervisor. The
116.25 remaining 26 hours of supervision may be provided by a case manager with two years of
116.26 experience. Group supervision may not constitute more than one-half of the required
116.27 supervision hours. Clinical supervision must be documented in the client record.

116.28 (e) A case manager without 2,000 hours of supervised experience in the delivery of
116.29 services to adults with mental illness must:

116.30 (1) receive clinical supervision regarding individual service delivery from a mental
116.31 health professional at least one hour per week until the requirement of 2,000 hours of
116.32 experience is met; and

117.1 (2) complete 40 hours of training approved by the commissioner in case management
117.2 skills and the characteristics and needs of adults with serious and persistent mental illness.

117.3 (f) A case manager who is not licensed, registered, or certified by a health-related
117.4 licensing board must receive 30 hours of continuing education and training in mental illness
117.5 and mental health services every two years.

117.6 (g) A case manager associate (CMA) must:

117.7 (1) work under the direction of a case manager or case management supervisor;

117.8 (2) be at least 21 years of age;

117.9 (3) have at least a high school diploma or its equivalent; and

117.10 (4) meet one of the following criteria:

117.11 (i) have an associate of arts degree in one of the behavioral sciences or human services;

117.12 (ii) be a certified peer specialist under section 256B.0615;

117.13 (iii) be a registered nurse without a bachelor's degree;

117.14 (iv) within the previous ten years, have three years of life experience with serious and
117.15 persistent mental illness as defined in subdivision 20; or as a child had severe emotional
117.16 disturbance as defined in section 245.4871, subdivision 6; or have three years life experience
117.17 as a primary caregiver to an adult with serious and persistent mental illness within the
117.18 previous ten years;

117.19 (v) have 6,000 hours work experience as a nondegreed state hospital technician; or

117.20 (vi) have at least 6,000 hours of supervised experience in the delivery of services to
117.21 persons with mental illness.

117.22 Individuals meeting one of the criteria in items (i) to (v) may qualify as a case manager
117.23 after four years of supervised work experience as a case manager associate. Individuals
117.24 meeting the criteria in item (vi) may qualify as a case manager after three years of supervised
117.25 experience as a case manager associate.

117.26 (h) A case management associate must meet the following supervision, mentoring, and
117.27 continuing education requirements:

117.28 (1) have 40 hours of preservice training described under paragraph (e), clause (2);

117.29 (2) receive ~~at least 40 annual~~ at least 40 annual hours of continuing education in mental illness and mental
117.30 health services ~~annually; and according to the following schedule, based on years of service~~
117.31 as a case management associate:

118.1 (i) at least 40 hours in the first year;

118.2 (ii) at least 30 hours in the second year;

118.3 (iii) at least 20 hours in the third year; and

118.4 (iv) at least 20 hours in the fourth year; and

118.5 (3) receive at least ~~five~~ four hours of ~~mentoring supervision per week~~ month from a case
118.6 management ~~mentor~~ supervisor.

118.7 ~~A "case management mentor" means a qualified, practicing case manager or case management~~
118.8 ~~supervisor who teaches or advises and provides intensive training and clinical supervision~~
118.9 ~~to one or more case manager associates. Mentoring may occur while providing direct services~~
118.10 ~~to consumers in the office or in the field and may be provided to individuals or groups of~~
118.11 ~~case manager associates. At least two mentoring hours per week must be individual and~~
118.12 ~~face-to-face.~~

118.13 (i) A case management supervisor must meet the criteria for mental health professionals,
118.14 as specified in subdivision 18.

118.15 (j) An immigrant who does not have the qualifications specified in this subdivision may
118.16 provide case management services to adult immigrants with serious and persistent mental
118.17 illness who are members of the same ethnic group as the case manager if the person:

118.18 (1) is currently enrolled in and is actively pursuing credits toward the completion of a
118.19 bachelor's degree in one of the behavioral sciences or a related field including, but not
118.20 limited to, social work, psychology, or nursing from an accredited college or university;

118.21 (2) completes 40 hours of training as specified in this subdivision; and

118.22 (3) receives clinical supervision at least once a week until the requirements of this
118.23 subdivision are met.

118.24 Sec. 4. Minnesota Statutes 2024, section 245.462, subdivision 20, is amended to read:

118.25 Subd. 20. **Mental illness.** (a) "Mental illness" means an organic disorder of the brain or
118.26 a clinically significant disorder of thought, mood, perception, orientation, memory, or
118.27 behavior that is detailed in a diagnostic codes list published by the commissioner, and that
118.28 seriously limits a person's capacity to function in primary aspects of daily living such as
118.29 personal relations, living arrangements, work, and recreation.

118.30 (b) An "adult with acute mental illness" means an adult who has a mental illness that is
118.31 serious enough to require prompt intervention.

119.1 (c) For purposes of enrolling in case management and community support services, a
119.2 "person with serious and persistent mental illness" means an adult who has a mental illness
119.3 and meets at least one of the following criteria:

119.4 (1) the adult has undergone ~~two~~ one or more episodes of inpatient, residential, or crisis
119.5 residential care for a mental illness within the preceding ~~24~~ 12 months;

119.6 (2) the adult has experienced a continuous psychiatric hospitalization or residential
119.7 treatment exceeding six months' duration within the preceding 12 months;

119.8 (3) the adult has been treated by a crisis team two or more times within the preceding
119.9 24 months;

119.10 (4) the adult:

119.11 (i) has a diagnosis of schizophrenia, bipolar disorder, major depression, schizoaffective
119.12 disorder, post-traumatic stress disorder, or borderline personality disorder;

119.13 (ii) indicates a significant impairment in functioning; and

119.14 (iii) has a written opinion from a mental health professional, in the last three years,
119.15 stating that the adult is reasonably likely to have future episodes requiring inpatient or
119.16 residential treatment, of a frequency described in clause (1) or (2), or the need for in-home
119.17 services to remain in one's home, unless ongoing case management or community support
119.18 services are provided;

119.19 (5) the adult has, in the last ~~three~~ five years, been committed by a court as a person ~~who~~
119.20 ~~is mentally ill~~ with a mental illness under chapter 253B, or the adult's commitment has been
119.21 stayed or continued; or

119.22 ~~(6) the adult (i) was eligible under clauses (1) to (5), but the specified time period has~~
119.23 ~~expired or the adult was eligible as a child under section 245.4871, subdivision 6; and (ii)~~
119.24 ~~has a written opinion from a mental health professional, in the last three years, stating that~~
119.25 ~~the adult is reasonably likely to have future episodes requiring inpatient or residential~~
119.26 ~~treatment, of a frequency described in clause (1) or (2), unless ongoing case management~~
119.27 ~~or community support services are provided; or~~

119.28 ~~(7)~~ (6) the adult was eligible as a child under section 245.4871, subdivision 6, and is
119.29 age 21 or younger.

119.30 (d) For purposes of enrolling in case management and community support services, a
119.31 "person with a complex post-traumatic stress disorder" or "person with a C-PTSD" means
119.32 an adult who has a mental illness and meets the following criteria:

120.1 (1) the adult has post-traumatic stress disorder (PTSD) symptoms that significantly
 120.2 interfere with daily functioning related to intergenerational trauma, racial trauma, or
 120.3 unresolved historical grief; and

120.4 (2) the adult has a written opinion from a mental health professional that includes
 120.5 documentation of:

120.6 (i) culturally sensitive assessments or screenings and identification of intergenerational
 120.7 trauma, racial trauma, or unresolved historical grief;

120.8 (ii) significant impairment in functioning due to the PTSD symptoms that meet C-PTSD
 120.9 condition eligibility; and

120.10 (iii) increasing concerns within the last three years that indicate there is a reasonable
 120.11 likelihood the adult will experience significant episodes of PTSD with increased frequency,
 120.12 impacting daily functioning, unless mitigated by targeted case management or community
 120.13 support services.

120.14 (e) Adults may continue to receive case management or community support services if,
 120.15 in the written opinion of a mental health professional, the person needs case management
 120.16 or community support services to maintain the person's recovery.

120.17 **EFFECTIVE DATE.** Paragraph (d) is effective upon federal approval. The commissioner
 120.18 of human services shall notify the revisor of statutes when federal approval is obtained.

120.19 Sec. 5. Minnesota Statutes 2024, section 245.467, subdivision 4, is amended to read:

120.20 Subd. 4. **Referral for case management.** Each provider of emergency services, day
 120.21 treatment services, outpatient treatment, community support services, residential treatment,
 120.22 acute care hospital inpatient treatment, or regional treatment center inpatient treatment must
 120.23 inform each of its clients with serious and persistent mental illness or a complex
 120.24 post-traumatic stress disorder of the availability and potential benefits to the client of case
 120.25 management. If the client consents, the provider must refer the client by notifying the county
 120.26 employee designated by the county board to coordinate case management activities of the
 120.27 client's name and address and by informing the client of whom to contact to request case
 120.28 management. The provider must document compliance with this subdivision in the client's
 120.29 record.

120.30 **EFFECTIVE DATE.** This section is effective upon federal approval. The commissioner
 120.31 of human services shall notify the revisor of statutes when federal approval is obtained.

121.1 Sec. 6. Minnesota Statutes 2024, section 245.469, is amended to read:

121.2 **245.469 EMERGENCY SERVICES.**

121.3 Subdivision 1. **Availability of emergency services.** (a) County boards must provide or
 121.4 contract for enough emergency services within the county to meet the needs of adults,
 121.5 children, and families in the county who are experiencing an emotional crisis or mental
 121.6 illness. Clients must not be charged for services provided. Emergency service providers
 121.7 must ~~not delay the timely provision of emergency services to a client because of the~~
 121.8 ~~unwillingness or inability of the client to pay for services~~ meet the qualifications under
 121.9 section 256B.0624, subdivision 4. Emergency services must include assessment, crisis
 121.10 intervention, and appropriate case disposition. Emergency services must:

121.11 (1) promote the safety and emotional stability of each client;

121.12 (2) minimize further deterioration of each client;

121.13 (3) help each client to obtain ongoing care and treatment;

121.14 (4) prevent placement in settings that are more intensive, costly, or restrictive than
 121.15 necessary and appropriate to meet client needs; and

121.16 (5) provide support, psychoeducation, and referrals to each client's family members,
 121.17 service providers, and other third parties on behalf of the client in need of emergency
 121.18 services.

121.19 (b) If a county provides engagement services under section 253B.041, the county's
 121.20 emergency service providers must refer clients to engagement services when the client
 121.21 meets the criteria for engagement services.

121.22 Subd. 2. **Specific requirements.** (a) The county board shall require that all service
 121.23 providers of emergency services to adults or children with mental illness provide immediate
 121.24 direct access to a mental health professional during regular business hours. For evenings,
 121.25 weekends, and holidays, the service may be by direct toll-free telephone access to a mental
 121.26 health professional, clinical trainee, or mental health practitioner.

121.27 (b) The commissioner may waive the requirement in paragraph (a) that the evening,
 121.28 weekend, and holiday service be provided by a mental health professional, clinical trainee,
 121.29 or mental health practitioner if the county documents that:

121.30 (1) mental health professionals, clinical trainees, or mental health practitioners are
 121.31 unavailable to provide this service;

122.1 (2) services are provided by a designated person with training in human services who
122.2 receives treatment supervision from a mental health professional; and

122.3 (3) the service provider is not also the provider of fire and public safety emergency
122.4 services.

122.5 (c) The commissioner may waive the requirement in paragraph (b), clause (3), that the
122.6 evening, weekend, and holiday service not be provided by the provider of fire and public
122.7 safety emergency services if:

122.8 (1) every person who will be providing the first telephone contact has received at least
122.9 eight hours of training on emergency mental health services approved by the commissioner;

122.10 (2) every person who will be providing the first telephone contact will annually receive
122.11 at least four hours of continued training on emergency mental health services approved by
122.12 the commissioner;

122.13 (3) the local social service agency has provided public education about available
122.14 emergency mental health services and can assure potential users of emergency services that
122.15 their calls will be handled appropriately;

122.16 (4) the local social service agency agrees to provide the commissioner with accurate
122.17 data on the number of emergency mental health service calls received;

122.18 (5) the local social service agency agrees to monitor the frequency and quality of
122.19 emergency services; and

122.20 (6) the local social service agency describes how it will comply with paragraph (d).

122.21 (d) Whenever emergency service during nonbusiness hours is provided by anyone other
122.22 than a mental health professional, a mental health professional must be available on call for
122.23 an emergency assessment and crisis intervention services, and must be available for at least
122.24 telephone consultation within 30 minutes.

122.25 Subd. 3. **Mental health crisis services.** The commissioner of human services shall
122.26 increase access to mental health crisis services for children and adults. In order to increase
122.27 access, the commissioner must:

122.28 (1) ~~develop a central phone number where calls can be routed to the appropriate crisis~~
122.29 ~~services~~ promote the 988 Lifeline;

122.30 (2) provide telephone consultation 24 hours a day to mobile crisis teams who are serving
122.31 people with traumatic brain injury or intellectual disabilities who are experiencing a mental
122.32 health crisis;

123.1 (3) expand crisis services across the state, including rural areas of the state and examining
123.2 access per population;

123.3 (4) establish and implement state standards and requirements for crisis services as outlined
123.4 in section 256B.0624; and

123.5 (5) provide grants to adult mental health initiatives, counties, tribes, or community mental
123.6 health providers to establish new mental health crisis residential service capacity.

123.7 Priority will be given to regions that do not have a mental health crisis residential services
123.8 program, do not have an inpatient psychiatric unit within the region, do not have an inpatient
123.9 psychiatric unit within 90 miles, or have a demonstrated need based on the number of crisis
123.10 residential or intensive residential treatment beds available to meet the needs of the residents
123.11 in the region. At least 50 percent of the funds must be distributed to programs in rural
123.12 Minnesota. Grant funds may be used for start-up costs, including but not limited to
123.13 renovations, furnishings, and staff training. Grant applications shall provide details on how
123.14 the intended service will address identified needs and shall demonstrate collaboration with
123.15 crisis teams, other mental health providers, hospitals, and police.

123.16 Sec. 7. Minnesota Statutes 2024, section 245.4711, subdivision 1, is amended to read:

123.17 Subdivision 1. **Availability of case management services.** (a) ~~By January 1, 1989,~~ The
123.18 county board shall provide case management services for all adults with serious and persistent
123.19 mental illness or a complex post-traumatic stress disorder who are residents of the county
123.20 and who request or consent to the services and to each adult for whom the court appoints a
123.21 case manager. Staffing ratios must be sufficient to serve the needs of the clients. The case
123.22 manager must meet the requirements in section 245.462, subdivision 4.

123.23 (b) Case management services provided to adults with serious and persistent mental
123.24 illness or a complex post-traumatic stress disorder eligible for medical assistance must be
123.25 billed to the medical assistance program under sections 256B.02, subdivision 8, and
123.26 256B.0625.

123.27 (c) Case management services are eligible for reimbursement under the medical assistance
123.28 program. Costs associated with mentoring, supervision, and continuing education may be
123.29 included in the reimbursement rate methodology used for case management services under
123.30 the medical assistance program.

123.31 **EFFECTIVE DATE.** This section is effective upon federal approval. The commissioner
123.32 of human services shall notify the revisor of statutes when federal approval is obtained.

124.1 Sec. 8. Minnesota Statutes 2024, section 245.4711, subdivision 4, is amended to read:

124.2 Subd. 4. **Individual community support plan.** (a) The case manager must develop an
124.3 individual community support plan for each adult that incorporates the client's individual
124.4 treatment plan. The individual treatment plan may not be a substitute for the development
124.5 of an individual community support plan. The individual community support plan must be
124.6 developed within 30 days of client intake and reviewed at least every 180 days after it is
124.7 developed, unless the case manager receives a written request from the client or the client's
124.8 family for a review of the plan every 90 days after it is developed. The case manager is
124.9 responsible for developing the individual community support plan based on a diagnostic
124.10 assessment and a functional assessment and for implementing and monitoring the delivery
124.11 of services according to the individual community support plan. To the extent possible, the
124.12 adult with serious and persistent mental illness or a complex post-traumatic stress disorder,
124.13 the person's family, advocates, service providers, and significant others must be involved
124.14 in all phases of development and implementation of the individual community support plan.

124.15 (b) The client's individual community support plan must state:

124.16 (1) the goals of each service;

124.17 (2) the activities for accomplishing each goal;

124.18 (3) a schedule for each activity; and

124.19 (4) the frequency of face-to-face contacts by the case manager, as appropriate to client
124.20 need and the implementation of the individual community support plan.

124.21 **EFFECTIVE DATE.** This section is effective upon federal approval. The commissioner
124.22 of human services shall notify the revisor of statutes when federal approval is obtained.

124.23 Sec. 9. Minnesota Statutes 2024, section 245.4712, subdivision 1, is amended to read:

124.24 Subdivision 1. **Availability of community support services.** (a) County boards must
124.25 provide or contract for sufficient community support services within the county to meet the
124.26 needs of adults with serious and persistent mental illness or a complex post-traumatic stress
124.27 disorder who are residents of the county. Adults may be required to pay a fee according to
124.28 section 245.481. The community support services program must be designed to improve
124.29 the ability of adults with serious and persistent mental illness or a complex post-traumatic
124.30 stress disorder to:

124.31 (1) find and maintain competitive employment;

124.32 (2) handle basic activities of daily living;

125.1 (3) participate in leisure time activities;

125.2 (4) set goals and plans; and

125.3 (5) obtain and maintain appropriate living arrangements.

125.4 The community support services program must also be designed to reduce the need for
125.5 and use of more intensive, costly, or restrictive placements both in number of admissions
125.6 and length of stay.

125.7 (b) Community support services are those services that are supportive in nature and not
125.8 necessarily treatment oriented, and include:

125.9 (1) conducting outreach activities such as home visits, health and wellness checks, and
125.10 problem solving;

125.11 (2) connecting people to resources to meet their basic needs;

125.12 (3) finding, securing, and supporting people in their housing;

125.13 (4) attaining and maintaining health insurance benefits;

125.14 (5) assisting with job applications, finding and maintaining employment, and securing
125.15 a stable financial situation;

125.16 (6) fostering social support, including support groups, mentoring, peer support, and other
125.17 efforts to prevent isolation and promote recovery; and

125.18 (7) educating about mental illness, treatment, and recovery.

125.19 (c) Community support services shall use all available funding streams. The county shall
125.20 maintain the level of expenditures for this program, as required under section 245.4835.

125.21 County boards must continue to provide funds for those services not covered by other
125.22 funding streams and to maintain an infrastructure to carry out these services. The county is
125.23 encouraged to fund evidence-based practices such as Individual Placement and Supported
125.24 Employment and Illness Management and Recovery.

125.25 (d) The commissioner shall collect data on community support services programs,
125.26 including, but not limited to, demographic information such as age, sex, race, the number
125.27 of people served, and information related to housing, employment, hospitalization, symptoms,
125.28 and satisfaction with services.

125.29 **EFFECTIVE DATE.** This section is effective upon federal approval. The commissioner
125.30 **of human services shall notify the revisor of statutes when federal approval is obtained.**

126.1 Sec. 10. Minnesota Statutes 2024, section 245.4712, subdivision 3, is amended to read:

126.2 Subd. 3. **Benefits assistance.** The county board must offer to help adults with serious
126.3 and persistent mental illness or a complex post-traumatic stress disorder in applying for
126.4 state and federal benefits, including Supplemental Security Income, medical assistance,
126.5 Medicare, general assistance, and Minnesota supplemental aid. The help must be offered
126.6 as part of the community support program available to adults with serious and persistent
126.7 mental illness or a complex post-traumatic stress disorder for whom the county is financially
126.8 responsible and who may qualify for these benefits.

126.9 Sec. 11. Minnesota Statutes 2024, section 245.4871, subdivision 4, is amended to read:

126.10 Subd. 4. **Case management service provider.** (a) "Case management service provider"
126.11 means a case manager or case manager associate employed by the county or other entity
126.12 authorized by the county board to provide case management services specified in subdivision
126.13 3 for the child with severe emotional disturbance and the child's family.

126.14 (b) A case manager must:

126.15 (1) have experience and training in working with children;

126.16 (2) be a mental health practitioner under section 245I.04, subdivision 4, or have at least
126.17 a bachelor's degree in one of the behavioral sciences or a related field including, but not
126.18 limited to, social work, psychology, or nursing from an accredited college or university or
126.19 meet the requirements of paragraph (d);

126.20 (3) have experience and training in identifying and assessing a wide range of children's
126.21 needs;

126.22 (4) be knowledgeable about local community resources and how to use those resources
126.23 for the benefit of children and their families; and

126.24 (5) meet the supervision and continuing education requirements of paragraphs (e), (f),
126.25 and (g), as applicable.

126.26 (c) A case manager may be a member of any professional discipline that is part of the
126.27 local system of care for children established by the county board.

126.28 (d) A case manager ~~without~~ who is not a mental health practitioner and does not have
126.29 a bachelor's degree or who has a bachelor's degree that is not in one of the behavioral sciences
126.30 or related fields must meet one of the requirements in clauses (1) to ~~(3)~~ (5):

126.31 (1) have three or four years of experience as a case manager associate;

127.1 (2) be a registered nurse without a bachelor's degree who has a combination of specialized
127.2 training in psychiatry and work experience consisting of community interaction and
127.3 involvement or community discharge planning in a mental health setting totaling three years;
127.4 ~~or~~

127.5 (3) be a person who qualified as a case manager under the 1998 Department of Human
127.6 Services waiver provision and meets the continuing education, supervision, and mentoring
127.7 requirements in this section;

127.8 (4) prior to direct service delivery, complete at least 80 hours of specific training on the
127.9 characteristics and needs of children with serious mental illness that is consistent with
127.10 national practices standards; or

127.11 (5) prior to direct service delivery, demonstrate competency in practice and knowledge
127.12 of the characteristics and needs of children with serious mental illness, consistent with
127.13 national practices standards.

127.14 (e) A case manager with at least 2,000 hours of supervised experience in the delivery
127.15 of mental health services to children must receive regular ongoing supervision and clinical
127.16 supervision totaling 38 hours per year, of which at least one hour per month must be clinical
127.17 supervision regarding individual service delivery with a case management supervisor. The
127.18 other 26 hours of supervision may be provided by a case manager with two years of
127.19 experience. Group supervision may not constitute more than one-half of the required
127.20 supervision hours.

127.21 (f) A case manager without 2,000 hours of supervised experience in the delivery of
127.22 mental health services to children with emotional disturbance must:

127.23 (1) begin 40 hours of training approved by the commissioner of human services in case
127.24 management skills and in the characteristics and needs of children with severe emotional
127.25 disturbance before beginning to provide case management services; and

127.26 (2) receive clinical supervision regarding individual service delivery from a mental
127.27 health professional at least one hour each week until the requirement of 2,000 hours of
127.28 experience is met.

127.29 (g) A case manager who is not licensed, registered, or certified by a health-related
127.30 licensing board must receive 30 hours of continuing education and training in severe
127.31 emotional disturbance and mental health services every two years.

128.1 (h) Clinical supervision must be documented in the child's record. When the case manager
128.2 is not a mental health professional, the county board must provide or contract for needed
128.3 clinical supervision.

128.4 (i) The county board must ensure that the case manager has the freedom to access and
128.5 coordinate the services within the local system of care that are needed by the child.

128.6 (j) A case manager associate (CMA) must:

128.7 (1) work under the direction of a case manager or case management supervisor;

128.8 (2) be at least 21 years of age;

128.9 (3) have at least a high school diploma or its equivalent; and

128.10 (4) meet one of the following criteria:

128.11 (i) have an associate of arts degree in one of the behavioral sciences or human services;

128.12 (ii) be a registered nurse without a bachelor's degree;

128.13 (iii) have three years of life experience as a primary caregiver to a child with serious
128.14 emotional disturbance as defined in subdivision 6 within the previous ten years;

128.15 (iv) have 6,000 hours work experience as a nondegreed state hospital technician; or

128.16 (v) have 6,000 hours of supervised work experience in the delivery of mental health
128.17 services to children with emotional disturbances; hours worked as a mental health behavioral
128.18 aide I or II under section 256B.0943, subdivision 7, may count toward the 6,000 hours of
128.19 supervised work experience.

128.20 Individuals meeting one of the criteria in items (i) to (iv) may qualify as a case manager
128.21 after four years of supervised work experience as a case manager associate. Individuals
128.22 meeting the criteria in item (v) may qualify as a case manager after three years of supervised
128.23 experience as a case manager associate.

128.24 (k) Case manager associates must meet the following supervision, mentoring, and
128.25 continuing education requirements;

128.26 (1) have 40 hours of preservice training described under paragraph (f), clause (1);

128.27 (2) receive at least 40 hours of continuing education in severe emotional disturbance
128.28 and mental health service annually; and

128.29 (3) receive at least five hours of mentoring per week from a case management mentor.

128.30 A "case management mentor" means a qualified, practicing case manager or case management
128.31 supervisor who teaches or advises and provides intensive training and clinical supervision

129.1 to one or more case manager associates. Mentoring may occur while providing direct services
129.2 to consumers in the office or in the field and may be provided to individuals or groups of
129.3 case manager associates. At least two mentoring hours per week must be individual and
129.4 face-to-face.

129.5 (l) A case management supervisor must meet the criteria for a mental health professional
129.6 as specified in subdivision 27.

129.7 (m) An immigrant who does not have the qualifications specified in this subdivision
129.8 may provide case management services to child immigrants with severe emotional
129.9 disturbance of the same ethnic group as the immigrant if the person:

129.10 (1) is currently enrolled in and is actively pursuing credits toward the completion of a
129.11 bachelor's degree in one of the behavioral sciences or related fields at an accredited college
129.12 or university;

129.13 (2) completes 40 hours of training as specified in this subdivision; and

129.14 (3) receives clinical supervision at least once a week until the requirements of obtaining
129.15 a bachelor's degree and 2,000 hours of supervised experience are met.

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

129.17 Sec. 12. Minnesota Statutes 2024, section 245.4871, subdivision 5, is amended to read:

129.18 Subd. 5. **Child.** "Child" means a person under 18 years of age, or a person at least 18
129.19 years of age and under 21 years of age receiving mental health transition services under
129.20 section 245.4875, subdivision 8.

129.21 Sec. 13. Minnesota Statutes 2024, section 245.4871, is amended by adding a subdivision
129.22 to read:

129.23 Subd. 7a. **Clinical supervision.** "Clinical supervision" means the oversight responsibility
129.24 for individual treatment plans and individual mental health service delivery, including
129.25 oversight provided by the case manager. Clinical supervision must be provided by a mental
129.26 health professional. The supervising mental health professional must cosign an individual
129.27 treatment plan and the mental health professional's name must be documented in the client's
129.28 record.

129.29 Sec. 14. Minnesota Statutes 2024, section 245.4871, subdivision 31, is amended to read:

129.30 Subd. 31. **Professional home-based family treatment.** (a) "Professional home-based
129.31 family treatment" means intensive mental health services provided to children because of

130.1 ~~an emotional disturbance~~ a mental illness: (1) who are at risk of ~~out-of-home placement~~
 130.2 residential treatment or therapeutic foster care; (2) who are in ~~out-of-home placement~~
 130.3 residential treatment or therapeutic foster care; or (3) who are returning from ~~out-of-home~~
 130.4 ~~placement~~ residential treatment or therapeutic foster care.

130.5 (b) Services are provided to the child and the child's family primarily in the child's home
 130.6 environment. Services may also be provided in the child's school, child care setting, or other
 130.7 community setting appropriate to the child. Services must be provided on an individual
 130.8 family basis, must be child-oriented and family-oriented, and must be designed using
 130.9 information from diagnostic and functional assessments to meet the specific mental health
 130.10 needs of the child and the child's family. Services must be coordinated with other services
 130.11 provided to the child and family.

130.12 (c) Examples of services are: (1) individual therapy; (2) family therapy; (3) client
 130.13 outreach; (4) assistance in developing individual living skills; (5) assistance in developing
 130.14 parenting skills necessary to address the needs of the child; (6) assistance with leisure and
 130.15 recreational services; (7) crisis planning, including crisis respite care and arranging for crisis
 130.16 placement; and (8) assistance in locating respite and child care. Services must be coordinated
 130.17 with other services provided to the child and family.

130.18 Sec. 15. Minnesota Statutes 2024, section 245.4874, subdivision 1, is amended to read:

130.19 Subdivision 1. **Duties of county board.** (a) The county board must:

130.20 (1) develop a system of affordable and locally available children's mental health services
 130.21 according to sections 245.487 to 245.4889;

130.22 (2) consider the assessment of unmet needs in the county as reported by the local
 130.23 children's mental health advisory council under section 245.4875, subdivision 5, paragraph
 130.24 (b), clause (3). The county shall provide, upon request of the local children's mental health
 130.25 advisory council, readily available data to assist in the determination of unmet needs;

130.26 (3) assure that parents and providers in the county receive information about how to
 130.27 gain access to services provided according to sections 245.487 to 245.4889;

130.28 (4) coordinate the delivery of children's mental health services with services provided
 130.29 by social services, education, corrections, health, and vocational agencies to improve the
 130.30 availability of mental health services to children and the cost-effectiveness of their delivery;

130.31 (5) assure that mental health services delivered according to sections 245.487 to 245.4889
 130.32 are delivered expeditiously and are appropriate to the child's diagnostic assessment and
 130.33 individual treatment plan;

131.1 (6) provide for case management services to each child with ~~severe emotional disturbance~~
131.2 serious mental illness according to sections 245.486; 245.4871, subdivisions 3 and 4; and
131.3 245.4881, subdivisions 1, 3, and 5;

131.4 (7) provide for screening of each child under section 245.4885 upon admission to a
131.5 residential treatment facility, ~~acute care hospital inpatient treatment, or informal admission~~
131.6 ~~to a regional treatment center;~~

131.7 (8) prudently administer grants and purchase-of-service contracts that the county board
131.8 determines are necessary to fulfill its responsibilities under sections 245.487 to 245.4889;

131.9 (9) assure that mental health professionals, mental health practitioners, and case managers
131.10 employed by or under contract to the county to provide mental health services are qualified
131.11 under section 245.4871;

131.12 (10) assure that children's mental health services are coordinated with adult mental health
131.13 services specified in sections 245.461 to 245.486 so that a continuum of mental health
131.14 services is available to serve persons with mental illness, regardless of the person's age;

131.15 (11) assure that culturally competent mental health consultants are used as necessary to
131.16 assist the county board in assessing and providing appropriate treatment for children of
131.17 cultural or racial minority heritage; and

131.18 (12) consistent with section 245.486, arrange for or provide a children's mental health
131.19 screening for:

131.20 (i) a child receiving child protective services;

131.21 (ii) a child in ~~out-of-home placement~~ residential treatment or therapeutic foster care;

131.22 (iii) a child for whom parental rights have been terminated;

131.23 (iv) a child found to be delinquent; or

131.24 (v) a child found to have committed a juvenile petty offense for the third or subsequent
131.25 time.

131.26 A children's mental health screening is not required when a screening or diagnostic
131.27 assessment has been performed within the previous 180 days, or the child is currently under
131.28 the care of a mental health professional.

131.29 (b) When a child is receiving protective services or is in ~~out-of-home placement~~
131.30 residential treatment or foster care, the court or county agency must notify a parent or
131.31 guardian whose parental rights have not been terminated of the potential mental health

132.1 screening and the option to prevent the screening by notifying the court or county agency
132.2 in writing.

132.3 (c) When a child is found to be delinquent or a child is found to have committed a
132.4 juvenile petty offense for the third or subsequent time, the court or county agency must
132.5 obtain written informed consent from the parent or legal guardian before a screening is
132.6 conducted unless the court, notwithstanding the parent's failure to consent, determines that
132.7 the screening is in the child's best interest.

132.8 (d) The screening shall be conducted with a screening instrument approved by the
132.9 commissioner of human services according to criteria that are updated and issued annually
132.10 to ensure that approved screening instruments are valid and useful for child welfare and
132.11 juvenile justice populations. Screenings shall be conducted by a mental health practitioner
132.12 as defined in section 245.4871, subdivision 26, or a probation officer or local social services
132.13 agency staff person who is trained in the use of the screening instrument. Training in the
132.14 use of the instrument shall include:

- 132.15 (1) training in the administration of the instrument;
- 132.16 (2) the interpretation of its validity given the child's current circumstances;
- 132.17 (3) the state and federal data practices laws and confidentiality standards;
- 132.18 (4) the parental consent requirement; and
- 132.19 (5) providing respect for families and cultural values.

132.20 If the screen indicates a need for assessment, the child's family, or if the family lacks
132.21 mental health insurance, the local social services agency, in consultation with the child's
132.22 family, shall have conducted a diagnostic assessment, including a functional assessment.
132.23 The administration of the screening shall safeguard the privacy of children receiving the
132.24 screening and their families and shall comply with the Minnesota Government Data Practices
132.25 Act, chapter 13, and the federal Health Insurance Portability and Accountability Act of
132.26 1996, Public Law 104-191. Screening results are classified as private data on individuals,
132.27 as defined by section 13.02, subdivision 12. The county board or Tribal nation may provide
132.28 the commissioner with access to the screening results for the purposes of program evaluation
132.29 and improvement.

132.30 (e) When the county board refers clients to providers of children's therapeutic services
132.31 and supports under section 256B.0943, the county board must clearly identify the desired
132.32 services components not covered under section 256B.0943 and identify the reimbursement

133.1 source for those requested services, the method of payment, and the payment rate to the
133.2 provider.

133.3 Sec. 16. Minnesota Statutes 2024, section 245.4881, subdivision 3, is amended to read:

133.4 Subd. 3. **Duties of case manager.** (a) Upon a determination of eligibility for case
133.5 management services, the case manager shall develop an individual family community
133.6 support plan for a child as specified in subdivision 4, review the child's progress, ~~and~~ monitor
133.7 the provision of services, and, if the child and the child's parent or legal guardian consent,
133.8 complete a written functional assessment as defined in section 245.4871, subdivision 18a.
133.9 If services are to be provided in a host county that is not the county of financial responsibility,
133.10 the case manager shall consult with the host county and obtain a letter demonstrating the
133.11 concurrence of the host county regarding the provision of services.

133.12 (b) The case manager shall note in the child's record the services needed by the child
133.13 and the child's family, the services requested by the family, services that are not available,
133.14 and the unmet needs of the child and child's family. The case manager shall note this
133.15 provision in the child's record.

133.16 Sec. 17. Minnesota Statutes 2024, section 245.4901, subdivision 3, is amended to read:

133.17 Subd. 3. **Allowable grant activities and related expenses.** (a) Allowable grant activities
133.18 and related expenses may include but are not limited to:

133.19 (1) identifying and diagnosing mental health conditions and substance use disorders of
133.20 students;

133.21 (2) delivering mental health and substance use disorder treatment and services to students
133.22 and their families, including via telehealth consistent with section 256B.0625, subdivision
133.23 3b;

133.24 (3) supporting families in meeting their child's needs, including accessing needed mental
133.25 health services to support the child's parent in caregiving and navigating health care, social
133.26 service, and juvenile justice systems;

133.27 (4) providing transportation for students receiving school-linked behavioral health
133.28 services when school is not in session;

133.29 (5) building the capacity of schools to meet the needs of students with mental health and
133.30 substance use disorder concerns, including school staff development activities for licensed
133.31 and nonlicensed staff; and

134.1 (6) purchasing equipment, connection charges, on-site coordination, set-up fees, and
 134.2 site fees in order to deliver school-linked behavioral health services via telehealth.

134.3 (b) Grantees shall obtain all available third-party reimbursement sources as a condition
 134.4 of receiving a grant. For purposes of this grant program, a third-party reimbursement source
 134.5 excludes a public school as defined in section 120A.20, subdivision 1. Grantees shall serve
 134.6 students regardless of health coverage status or ability to pay.

134.7 Sec. 18. [245.4904] INTERMEDIATE SCHOOL DISTRICT BEHAVIORAL
 134.8 HEALTH GRANT PROGRAM.

134.9 Subdivision 1. Establishment. The commissioner of human services must establish a
 134.10 grant program to improve behavioral health outcomes for youth attending a qualifying
 134.11 school unit and to build the capacity of schools to support student and teacher needs in the
 134.12 classroom. For the purposes of this section, "qualifying school unit" means an intermediate
 134.13 school district organized under section 136D.01.

134.14 Subd. 2. Eligible applicants. An eligible applicant is an intermediate school district
 134.15 organized under section 136D.01 and a partner entity or provider that has demonstrated
 134.16 capacity to serve the youth identified in subdivision 1 that is:

134.17 (1) a mental health clinic certified under section 245I.20;

134.18 (2) a community mental health center under section 256B.0625, subdivision 5;

134.19 (3) an Indian health service facility or a facility owned and operated by a Tribe or Tribal
 134.20 organization operating under United States Code, title 25, section 5321;

134.21 (4) a provider of children's therapeutic services and supports as defined in section
 134.22 256B.0943;

134.23 (5) enrolled in medical assistance as a mental health or substance use disorder provider
 134.24 agency and employs at least two full-time equivalent mental health professionals qualified
 134.25 according to section 245I.04, subdivision 2, or two alcohol and drug counselors licensed or
 134.26 exempt from licensure under chapter 148F who are qualified to provide clinical services to
 134.27 children and families;

134.28 (6) licensed under chapter 245G and in compliance with the applicable requirements in
 134.29 chapters 245A, 245C, and 260E; section 626.557; and Minnesota Rules, chapter 9544; or

134.30 (7) a licensed professional in private practice as defined in section 245G.01, subdivision
 134.31 17, who meets the requirements of section 254B.05, subdivision 1, paragraph (b).

135.1 Subd. 3. Allowable grant activities and related expenses. (a) Allowable grant activities
135.2 and related expenses include but are not limited to:

135.3 (1) identifying mental health conditions and substance use disorders of students;

135.4 (2) delivering mental health and substance use disorder treatment and supportive services
135.5 to students and their families within the classroom, including via telehealth consistent with
135.6 section 256B.0625, subdivision 3b;

135.7 (3) delivering therapeutic interventions and customizing an array of supplementary
135.8 learning experiences for students;

135.9 (4) supporting families in meeting their child's needs, including navigating health care,
135.10 social service, and juvenile justice systems;

135.11 (5) providing transportation for students receiving behavioral health services when school
135.12 is not in session;

135.13 (6) building the capacity of schools to meet the needs of students with mental health and
135.14 substance use disorder concerns, including school staff development activities for licensed
135.15 and nonlicensed staff; and

135.16 (7) purchasing equipment, connection charges, on-site coordination, set-up fees, and
135.17 site fees in order to deliver school-linked behavioral health services via telehealth.

135.18 (b) Grantees must obtain all available third-party reimbursement sources as a condition
135.19 of receiving grant money. For purposes of this grant program, a third-party reimbursement
135.20 source does not include a public school as defined in section 120A.20, subdivision 1. Grantees
135.21 shall serve students regardless of health coverage status or ability to pay.

135.22 Subd. 4. Calculating the share of the appropriation. (a) Grants must be awarded to
135.23 qualifying school units proportionately.

135.24 (b) The commissioner must calculate the share of the appropriation to be used in each
135.25 qualifying school unit by multiplying the total appropriation going to the grantees by the
135.26 qualifying school unit's average daily membership in a setting of federal instructional level
135.27 4 or higher and then dividing the product by the total average daily membership in a setting
135.28 of federal instructional level 4 or higher for the same year for all qualifying school units.

135.29 Subd. 5. Data collection and outcome measurement. Grantees must provide data to
135.30 the commissioner for the purpose of evaluating the intermediate school district behavioral
135.31 health innovation grant program. The commissioner must consult with grantees to develop
135.32 outcome measures for program capacity and performance.

136.1 Sec. 19. Minnesota Statutes 2024, section 245.4907, subdivision 3, is amended to read:

136.2 Subd. 3. **Allowable grant activities.** Grantees must use grant funding to provide training
136.3 for mental health ~~certified family peer specialists~~ specialist candidates and continuing
136.4 education to certified family peer specialists as specified in section 256B.0616, subdivision
136.5 5.

136.6 Sec. 20. Minnesota Statutes 2024, section 245.735, subdivision 3b, is amended to read:

136.7 Subd. 3b. **Exemptions to host county approval.** Notwithstanding any other law that
136.8 requires a county contract or other form of county approval for a service listed in subdivision
136.9 3, paragraph (d), clause (8), a CCBHC that meets the requirements of this section may enroll
136.10 as a provider of mental health crisis response services under section 256B.0624 and receive
136.11 the prospective payment under section 256B.0625, subdivision 5m, for that service without
136.12 a county contract or county approval.

136.13 Sec. 21. Minnesota Statutes 2024, section 245G.05, subdivision 1, is amended to read:

136.14 Subdivision 1. **Comprehensive assessment.** (a) A comprehensive assessment of the
136.15 client's substance use disorder must be administered face-to-face by an alcohol and drug
136.16 counselor within five calendar days from the day of service initiation for a residential
136.17 program or by the end of the fifth day on which a treatment service is provided in a
136.18 nonresidential program. The number of days to complete the comprehensive assessment
136.19 excludes the day of service initiation.

136.20 (b) A comprehensive assessment must be administered by:

136.21 (1) an alcohol and drug counselor;

136.22 (2) a mental health professional who meets the qualifications under section 245I.04,
136.23 subdivision 2, practices within the scope of their professional licensure, and has at least 12
136.24 hours of training in substance use disorder and treatment;

136.25 (3) a clinical trainee who meets the qualifications under section 245I.04, subdivision 6,
136.26 practicing under the supervision of a mental health professional who meets the requirements
136.27 of clause (2); or

136.28 (4) an advanced practice registered nurse as defined in section 148.171, subdivision 3,
136.29 who practices within the scope of their professional licensure and has at least 12 hours of
136.30 training in substance use disorder and treatment.

137.1 (c) If the comprehensive assessment is not completed within the required time frame,
 137.2 the person-centered reason for the delay and the planned completion date must be documented
 137.3 in the client's file. The comprehensive assessment is complete upon a qualified staff member's
 137.4 dated signature. If the client received a comprehensive assessment that authorized the
 137.5 treatment service, ~~an alcohol and drug counselor~~ a staff member qualified under paragraph
 137.6 (b) may use the comprehensive assessment for requirements of this subdivision but must
 137.7 document a review of the comprehensive assessment and update the comprehensive
 137.8 assessment as clinically necessary to ensure compliance with this subdivision within
 137.9 applicable timelines. ~~An alcohol and drug counselor~~ A staff member qualified under
 137.10 paragraph (b) must sign and date the comprehensive assessment review and update.

137.11 Sec. 22. Minnesota Statutes 2024, section 245G.11, subdivision 7, is amended to read:

137.12 Subd. 7. **Treatment coordination provider qualifications.** (a) Treatment coordination
 137.13 must be provided by qualified staff. An individual is qualified to provide treatment
 137.14 coordination if the individual meets the qualifications of an alcohol and drug counselor
 137.15 under subdivision 5 or if the individual:

137.16 (1) is skilled in the process of identifying and assessing a wide range of client needs;

137.17 (2) is knowledgeable about local community resources and how to use those resources
 137.18 for the benefit of the client;

137.19 (3) has ~~successfully completed 30 hours of classroom instruction on treatment~~
 137.20 ~~coordination for an individual with substance use disorder~~ specific training on substance
 137.21 use disorder and co-occurring disorders that is consistent with national evidence-based
 137.22 practices; and

137.23 (4) ~~has either~~ meets one of the following criteria:

137.24 (i) has a bachelor's degree in one of the behavioral sciences or related fields and at least
 137.25 1,000 hours of supervised experience working with individuals with substance use disorder;
 137.26 ~~or~~

137.27 (ii) has current certification as an alcohol and drug counselor, level I, by the Upper
 137.28 Midwest Indian Council on Addictive Disorders; ~~and~~ or

137.29 (iii) is a mental health practitioner who meets the qualifications under section 245I.04,
 137.30 subdivision 4.

137.31 (5) ~~has at least 2,000 hours of supervised experience working with individuals with~~
 137.32 ~~substance use disorder.~~

138.1 (b) A treatment coordinator must receive at least one hour of supervision regarding
138.2 individual service delivery from an alcohol and drug counselor, or a mental health
138.3 professional who has substance use treatment and assessments within the scope of their
138.4 practice, on a monthly basis.

138.5 Sec. 23. Minnesota Statutes 2024, section 245I.05, subdivision 3, is amended to read:

138.6 Subd. 3. **Initial training.** (a) A staff person must receive training about:

138.7 (1) vulnerable adult maltreatment under section 245A.65, subdivision 3; and

138.8 (2) the maltreatment of minor reporting requirements and definitions in chapter 260E
138.9 within 72 hours of first providing direct contact services to a client.

138.10 (b) Before providing direct contact services to a client, a staff person must receive training
138.11 about:

138.12 (1) client rights and protections under section 245I.12;

138.13 (2) the Minnesota Health Records Act, including client confidentiality, family engagement
138.14 under section 144.294, and client privacy;

138.15 (3) emergency procedures that the staff person must follow when responding to a fire,
138.16 inclement weather, a report of a missing person, and a behavioral or medical emergency;

138.17 (4) specific activities and job functions for which the staff person is responsible, including
138.18 the license holder's program policies and procedures applicable to the staff person's position;

138.19 (5) professional boundaries that the staff person must maintain; and

138.20 (6) specific needs of each client to whom the staff person will be providing direct contact
138.21 services, including each client's developmental status, cognitive functioning, and physical
138.22 and mental abilities.

138.23 (c) Before providing direct contact services to a client, a mental health rehabilitation
138.24 worker, mental health behavioral aide, or mental health practitioner required to receive the
138.25 training according to section 245I.04, subdivision 4, must receive 30 hours of training about:

138.26 (1) mental illnesses;

138.27 (2) client recovery and resiliency;

138.28 (3) mental health de-escalation techniques;

138.29 (4) co-occurring mental illness and substance use disorders; and

138.30 (5) psychotropic medications and medication side effects, including tardive dyskinesia.

139.1 (d) Within 90 days of first providing direct contact services to an adult client, mental
139.2 health practitioner, mental health certified peer specialist, or mental health rehabilitation
139.3 worker must receive training about:

139.4 (1) trauma-informed care and secondary trauma;

139.5 (2) person-centered individual treatment plans, including seeking partnerships with
139.6 family and other natural supports;

139.7 (3) co-occurring substance use disorders; and

139.8 (4) culturally responsive treatment practices.

139.9 (e) Within 90 days of first providing direct contact services to a child client, mental
139.10 health practitioner, mental health certified family peer specialist, mental health certified
139.11 peer specialist, or mental health behavioral aide must receive training about the topics in
139.12 clauses (1) to (5). This training must address the developmental characteristics of each child
139.13 served by the license holder and address the needs of each child in the context of the child's
139.14 family, support system, and culture. Training topics must include:

139.15 (1) trauma-informed care and secondary trauma, including adverse childhood experiences
139.16 (ACEs);

139.17 (2) family-centered treatment plan development, including seeking partnership with a
139.18 child client's family and other natural supports;

139.19 (3) mental illness and co-occurring substance use disorders in family systems;

139.20 (4) culturally responsive treatment practices; and

139.21 (5) child development, including cognitive functioning, and physical and mental abilities.

139.22 (f) For a mental health behavioral aide, the training under paragraph (e) must include
139.23 parent team training using a curriculum approved by the commissioner.

139.24 Sec. 24. Minnesota Statutes 2024, section 245I.05, subdivision 5, is amended to read:

139.25 Subd. 5. **Additional training for medication administration.** (a) Prior to administering
139.26 medications to a client under delegated authority or observing a client self-administer
139.27 medications, a staff person who is not a licensed prescriber, registered nurse, or licensed
139.28 practical nurse qualified under section 148.171, subdivision 8, must receive training about
139.29 psychotropic medications, side effects including tardive dyskinesia, and medication
139.30 management.

140.1 (b) Prior to administering medications to a client under delegated authority, a staff person
140.2 must successfully complete a:

140.3 (1) medication administration training program for unlicensed personnel through an
140.4 accredited Minnesota postsecondary educational institution with completion of the course
140.5 documented in writing and placed in the staff person's personnel file; or

140.6 (2) formalized training program taught by a registered nurse or licensed prescriber that
140.7 is offered by the license holder. A staff person's successful completion of the formalized
140.8 training program must include direct observation of the staff person to determine the staff
140.9 person's areas of competency.

140.10 Sec. 25. Minnesota Statutes 2024, section 245I.06, subdivision 3, is amended to read:

140.11 Subd. 3. **Treatment supervision and direct observation of mental health**
140.12 **rehabilitation workers and mental health behavioral aides.** (a) A mental health behavioral
140.13 aide or a mental health rehabilitation worker must receive direct observation from a mental
140.14 health professional, clinical trainee, certified rehabilitation specialist, or mental health
140.15 practitioner while the mental health behavioral aide or mental health rehabilitation worker
140.16 provides treatment services to clients, no less than twice per month for the first six months
140.17 of employment and once per month thereafter. The staff person performing the direct
140.18 observation must approve of the progress note ~~for the observed treatment service~~ twice per
140.19 month for the first six months of employment and as needed and identified in a supervision
140.20 plan thereafter. Approval may be given through an attestation that is stored in the employee
140.21 file.

140.22 (b) For a mental health rehabilitation worker qualified under section 245I.04, subdivision
140.23 14, paragraph (a), clause (2), item (i), treatment supervision in the first 2,000 hours of work
140.24 must at a minimum consist of:

140.25 (1) monthly individual supervision; and

140.26 (2) direct observation twice per month.

140.27 Sec. 26. Minnesota Statutes 2024, section 245I.11, subdivision 5, is amended to read:

140.28 Subd. 5. **Medication administration in residential programs.** If a license holder is
140.29 licensed as a residential program, the license holder must:

140.30 (1) assess and document each client's ability to self-administer medication. In the
140.31 assessment, the license holder must evaluate the client's ability to: (i) comply with prescribed
140.32 medication regimens; and (ii) store the client's medications safely and in a manner that

141.1 protects other individuals in the facility. Through the assessment process, the license holder
141.2 must assist the client in developing the skills necessary to safely self-administer medication;

141.3 (2) monitor the effectiveness of medications, side effects of medications, and adverse
141.4 reactions to medications, including symptoms and signs of tardive dyskinesia, for each
141.5 client. The license holder must address and document any concerns about a client's
141.6 medications;

141.7 (3) ensure that no staff person or client gives a legend drug supply for one client to
141.8 another client;

141.9 (4) have policies and procedures for: (i) keeping a record of each client's medication
141.10 orders; (ii) keeping a record of any incident of deferring a client's medications; (iii)
141.11 documenting any incident when a client's medication is omitted; and (iv) documenting when
141.12 a client refuses to take medications as prescribed; and

141.13 (5) document and track medication errors, document whether the license holder notified
141.14 anyone about the medication error, determine if the license holder must take any follow-up
141.15 actions, and identify the staff persons who are responsible for taking follow-up actions.

141.16 Sec. 27. Minnesota Statutes 2024, section 245I.12, subdivision 5, is amended to read:

141.17 Subd. 5. **Client grievances.** (a) The license holder must have a grievance procedure
141.18 that:

141.19 (1) describes to clients how the license holder will meet the requirements in this
141.20 subdivision; and

141.21 (2) contains the current public contact information of the Department of Human Services,
141.22 Licensing Division; the Office of Ombudsman for Mental Health and Developmental
141.23 Disabilities; the Department of Health, Office of Health Facilities Complaints; and all
141.24 applicable health-related licensing boards.

141.25 (b) On the day of each client's admission, the license holder must explain the grievance
141.26 procedure to the client.

141.27 (c) The license holder must:

141.28 (1) post the grievance procedure in a place visible to clients and provide a copy of the
141.29 grievance procedure upon request;

141.30 (2) allow clients, former clients, and their authorized representatives to submit a grievance
141.31 to the license holder;

142.1 (3) within three business days of receiving a client's grievance, acknowledge in writing
 142.2 that the license holder received the client's grievance. If applicable, the license holder must
 142.3 include a notice of the client's separate appeal rights for a managed care organization's
 142.4 reduction, termination, or denial of a covered service;

142.5 (4) within 15 business days of receiving a client's grievance, provide a written final
 142.6 response to the client's grievance containing the license holder's official response to the
 142.7 grievance; and

142.8 (5) allow the client to bring a grievance to the person with the highest level of authority
 142.9 in the program.

142.10 (d) Clients may voice grievances and recommend changes in policies and services to
 142.11 staff and others of their choice, free from restraint, interference, coercion, discrimination,
 142.12 or reprisal, including threat of discharge.

142.13 Sec. 28. Minnesota Statutes 2024, section 254B.05, subdivision 1, is amended to read:

142.14 Subdivision 1. **Licensure or certification required.** (a) Programs licensed by the
 142.15 commissioner are eligible vendors. Hospitals may apply for and receive licenses to be
 142.16 eligible vendors, notwithstanding the provisions of section 245A.03. American Indian
 142.17 programs that provide substance use disorder treatment, extended care, transitional residence,
 142.18 or outpatient treatment services, and are licensed by tribal government are eligible vendors.

142.19 (b) A licensed professional in private practice as defined in section 245G.01, subdivision
 142.20 17, who meets the requirements of section 245G.11, subdivisions 1 and 4, is an eligible
 142.21 vendor of a comprehensive assessment provided according to section 254A.19, subdivision
 142.22 3, and treatment services provided according to sections 245G.06 and 245G.07, subdivision
 142.23 1, paragraphs (a), clauses (1) to (5), and (b); and subdivision 2, clauses (1) to (6).

142.24 (c) A county is an eligible vendor for a comprehensive assessment when provided by
 142.25 an individual who meets the staffing credentials of section 245G.11, subdivisions 1 and 5,
 142.26 and completed according to the requirements of section 254A.19, subdivision 3. A county
 142.27 is an eligible vendor of care coordination services when provided by an individual who
 142.28 meets the staffing credentials of section 245G.11, subdivisions 1 and 7, and provided
 142.29 according to the requirements of section 245G.07, subdivision 1, paragraph (a), clause (5).
 142.30 A county is an eligible vendor of peer recovery services when the services are provided by
 142.31 an individual who meets the requirements of section 245G.11, subdivision 8.

142.32 (d) A recovery community organization that meets the requirements of clauses (1) to
 142.33 (14) and meets certification ~~or accreditation~~ requirements of the ~~Alliance for Recovery~~

143.1 ~~Centered Organizations, the Council on Accreditation of Peer Recovery Support Services,~~
143.2 ~~or a Minnesota statewide recovery organization identified by the commissioner~~ Minnesota
143.3 Alliance of Recovery Community Organizations is an eligible vendor of peer recovery
143.4 support services. ~~A Minnesota statewide recovery organization identified by the~~
143.5 ~~commissioner must update recovery community organization applicants for certification or~~
143.6 ~~accreditation on the status of the application within 45 days of receipt. If the approved~~
143.7 ~~statewide recovery organization denies an application, it must provide a written explanation~~
143.8 ~~for the denial to the recovery community organization.~~ Eligible vendors under this paragraph
143.9 must:

143.10 (1) be nonprofit organizations under section 501(c)(3) of the Internal Revenue Code, be
143.11 free from conflicting self-interests, and be autonomous in decision-making, program
143.12 development, peer recovery support services provided, and advocacy efforts for the purpose
143.13 of supporting the recovery community organization's mission;

143.14 (2) be led and governed by individuals in the recovery community, with more than 50
143.15 percent of the board of directors or advisory board members self-identifying as people in
143.16 personal recovery from substance use disorders;

143.17 (3) have a mission statement and conduct corresponding activities indicating that the
143.18 organization's primary purpose is to support recovery from substance use disorder;

143.19 (4) demonstrate ongoing community engagement with the identified primary region and
143.20 population served by the organization, including individuals in recovery and their families,
143.21 friends, and recovery allies;

143.22 (5) be accountable to the recovery community through documented priority-setting and
143.23 participatory decision-making processes that promote the engagement of, and consultation
143.24 with, people in recovery and their families, friends, and recovery allies;

143.25 (6) provide nonclinical peer recovery support services, including but not limited to
143.26 recovery support groups, recovery coaching, telephone recovery support, skill-building,
143.27 and harm-reduction activities, and provide recovery public education and advocacy;

143.28 (7) have written policies that allow for and support opportunities for all paths toward
143.29 recovery and refrain from excluding anyone based on their chosen recovery path, which
143.30 may include but is not limited to harm reduction paths, faith-based paths, and nonfaith-based
143.31 paths;

143.32 (8) maintain organizational practices to meet the needs of Black, Indigenous, and people
143.33 of color communities, LGBTQ+ communities, and other underrepresented or marginalized

144.1 communities. Organizational practices may include board and staff training, service offerings,
144.2 advocacy efforts, and culturally informed outreach and services;

144.3 (9) use recovery-friendly language in all media and written materials that is supportive
144.4 of and promotes recovery across diverse geographical and cultural contexts and reduces
144.5 stigma;

144.6 (10) establish and maintain a publicly available recovery community organization code
144.7 of ethics and grievance policy and procedures;

144.8 (11) not classify or treat any recovery peer hired on or after July 1, 2024, as an
144.9 independent contractor;

144.10 (12) not classify or treat any recovery peer as an independent contractor on or after
144.11 January 1, 2025;

144.12 (13) provide an orientation for recovery peers that includes an overview of the consumer
144.13 advocacy services provided by the Ombudsman for Mental Health and Developmental
144.14 Disabilities and other relevant advocacy services; ~~and~~

144.15 (14) provide notice to peer recovery support services participants that includes the
144.16 following statement: "If you have a complaint about the provider or the person providing
144.17 your peer recovery support services, you may contact the Minnesota Alliance of Recovery
144.18 Community Organizations. You may also contact the Office of Ombudsman for Mental
144.19 Health and Developmental Disabilities." The statement must also include:

144.20 (i) the telephone number, website address, email address, and mailing address of the
144.21 Minnesota Alliance of Recovery Community Organizations and the Office of Ombudsman
144.22 for Mental Health and Developmental Disabilities;

144.23 (ii) the recovery community organization's name, address, email, telephone number, and
144.24 name or title of the person at the recovery community organization to whom problems or
144.25 complaints may be directed; and

144.26 (iii) a statement that the recovery community organization will not retaliate against a
144.27 peer recovery support services participant because of a complaint; and

144.28 (15) comply with the requirements of section 245A.04, subdivision 15a.

144.29 (e) A recovery community organization approved by the commissioner before June 30,
144.30 2023, must have begun the application process as required by an approved certifying or
144.31 accrediting entity and have begun the process to meet the requirements under paragraph (d)

145.1 by September 1, 2024, in order to be considered as an eligible vendor of peer recovery
145.2 support services.

145.3 (f) A recovery community organization that is aggrieved by ~~an accreditation, a~~
145.4 ~~certification, or membership~~ determination and believes it meets the requirements under
145.5 paragraph (d) may appeal the determination under section 256.045, subdivision 3, paragraph
145.6 (a), clause (14), for reconsideration as an eligible vendor. If the human services judge
145.7 determines that the recovery community organization meets the requirements under paragraph
145.8 (d), the recovery community organization is an eligible vendor of peer recovery support
145.9 services for up to two years from the date of the determination. After two years, the recovery
145.10 community organization must apply for certification under paragraph (d) to continue to be
145.11 an eligible vendor of peer recovery support services.

145.12 (g) All recovery community organizations must be certified ~~or accredited~~ by an entity
145.13 listed in paragraph (d) by June 30, 2025.

145.14 (h) Detoxification programs licensed under Minnesota Rules, parts 9530.6510 to
145.15 9530.6590, are not eligible vendors. Programs that are not licensed as a residential or
145.16 nonresidential substance use disorder treatment or withdrawal management program by the
145.17 commissioner or by tribal government or do not meet the requirements of subdivisions 1a
145.18 and 1b are not eligible vendors.

145.19 (i) Hospitals, federally qualified health centers, and rural health clinics are eligible
145.20 vendors of a comprehensive assessment when the comprehensive assessment is completed
145.21 according to section 254A.19, subdivision 3, and by an individual who meets the criteria
145.22 of an alcohol and drug counselor according to section 245G.11, subdivision 5. The alcohol
145.23 and drug counselor must be individually enrolled with the commissioner and reported on
145.24 the claim as the individual who provided the service.

145.25 (j) Any complaints about a recovery community organization or peer recovery support
145.26 services may be made to and reviewed or investigated by the ombudsperson for behavioral
145.27 health and developmental disabilities under sections 245.91 and 245.94.

145.28 Sec. 29. Minnesota Statutes 2024, section 254B.05, subdivision 5, is amended to read:

145.29 Subd. 5. **Rate requirements.** (a) The commissioner shall establish rates for substance
145.30 use disorder services and service enhancements funded under this chapter.

145.31 (b) Eligible substance use disorder treatment services include:

145.32 (1) those licensed, as applicable, according to chapter 245G or applicable Tribal license
145.33 and provided according to the following ASAM levels of care:

- 146.1 (i) ASAM level 0.5 early intervention services provided according to section 254B.19,
146.2 subdivision 1, clause (1);
- 146.3 (ii) ASAM level 1.0 outpatient services provided according to section 254B.19,
146.4 subdivision 1, clause (2);
- 146.5 (iii) ASAM level 2.1 intensive outpatient services provided according to section 254B.19,
146.6 subdivision 1, clause (3);
- 146.7 (iv) ASAM level 2.5 partial hospitalization services provided according to section
146.8 254B.19, subdivision 1, clause (4);
- 146.9 (v) ASAM level 3.1 clinically managed low-intensity residential services provided
146.10 according to section 254B.19, subdivision 1, clause (5). The commissioner shall use the
146.11 base payment rate of \$79.84 per day for services provided under this item;
- 146.12 (vi) ASAM level 3.1 clinically managed low-intensity residential services provided
146.13 according to section 254B.19, subdivision 1, clause (5), at 15 or more hours of skilled
146.14 treatment services each week. The commissioner shall use the base payment rate of \$166.13
146.15 per day for services provided under this item;
- 146.16 (vii) ASAM level 3.3 clinically managed population-specific high-intensity residential
146.17 services provided according to section 254B.19, subdivision 1, clause (6). The commissioner
146.18 shall use the specified base payment rate of \$224.06 per day for services provided under
146.19 this item; and
- 146.20 (viii) ASAM level 3.5 clinically managed high-intensity residential services provided
146.21 according to section 254B.19, subdivision 1, clause (7). The commissioner shall use the
146.22 specified base payment rate of \$224.06 per day for services provided under this item;
- 146.23 (2) comprehensive assessments provided according to section 254A.19, subdivision 3;
- 146.24 (3) treatment coordination services provided according to section 245G.07, subdivision
146.25 1, paragraph (a), clause (5);
- 146.26 (4) peer recovery support services provided according to section 245G.07, subdivision
146.27 2, clause (8);
- 146.28 (5) withdrawal management services provided according to chapter 245F;
- 146.29 (6) hospital-based treatment services that are licensed according to sections 245G.01 to
146.30 245G.17 or applicable Tribal license and licensed as a hospital under sections 144.50 to
146.31 144.56;

147.1 (7) substance use disorder treatment services with medications for opioid use disorder
147.2 provided in an opioid treatment program licensed according to sections 245G.01 to 245G.17
147.3 and 245G.22, or under an applicable Tribal license;

147.4 (8) medium-intensity residential treatment services that provide 15 hours of skilled
147.5 treatment services each week and are licensed according to sections 245G.01 to 245G.17
147.6 and 245G.21 or applicable Tribal license;

147.7 (9) adolescent treatment programs that are licensed as outpatient treatment programs
147.8 according to sections 245G.01 to 245G.18 or as residential treatment programs according
147.9 to Minnesota Rules, parts 2960.0010 to 2960.0220, and 2960.0430 to 2960.0490, or
147.10 applicable Tribal license;

147.11 (10) ASAM 3.5 clinically managed high-intensity residential services that are licensed
147.12 according to sections 245G.01 to 245G.17 and 245G.21 or applicable Tribal license, which
147.13 provide ASAM level of care 3.5 according to section 254B.19, subdivision 1, clause (7),
147.14 and are provided by a state-operated vendor or to clients who have been civilly committed
147.15 to the commissioner, present the most complex and difficult care needs, and are a potential
147.16 threat to the community; and

147.17 (11) room and board facilities that meet the requirements of subdivision 1a.

147.18 (c) The commissioner shall establish higher rates for programs that meet the requirements
147.19 of paragraph (b) and one of the following additional requirements:

147.20 (1) programs that serve parents with their children if the program:

147.21 (i) provides on-site child care during the hours of treatment activity that:

147.22 (A) is licensed under chapter 245A as a child care center under Minnesota Rules, chapter
147.23 9503; or

147.24 (B) is licensed under chapter 245A and sections 245G.01 to 245G.19; or

147.25 (ii) arranges for off-site child care during hours of treatment activity at a facility that is
147.26 licensed under chapter 245A as:

147.27 (A) a child care center under Minnesota Rules, chapter 9503; or

147.28 (B) a family child care home under Minnesota Rules, chapter 9502;

147.29 (2) culturally specific or culturally responsive programs as defined in section 254B.01,
147.30 subdivision 4a;

147.31 (3) disability responsive programs as defined in section 254B.01, subdivision 4b;

148.1 (4) programs that offer medical services delivered by appropriately credentialed health
148.2 care staff in an amount equal to one hour per client per week if the medical needs of the
148.3 client and the nature and provision of any medical services provided are documented in the
148.4 client file; or

148.5 (5) programs that offer services to individuals with co-occurring mental health and
148.6 substance use disorder problems if:

148.7 (i) the program meets the co-occurring requirements in section 245G.20;

148.8 (ii) the program employs a mental health professional as defined in section 245I.04,
148.9 subdivision 2;

148.10 (iii) clients scoring positive on a standardized mental health screen receive a mental
148.11 health diagnostic assessment within ten days of admission, excluding weekends and holidays;

148.12 (iv) the program has standards for multidisciplinary case review that include a monthly
148.13 review for each client that, at a minimum, includes a licensed mental health professional
148.14 and licensed alcohol and drug counselor, and their involvement in the review is documented;

148.15 (v) family education is offered that addresses mental health and substance use disorder
148.16 and the interaction between the two; and

148.17 (vi) co-occurring counseling staff shall receive eight hours of co-occurring disorder
148.18 training annually.

148.19 (d) In order to be eligible for a higher rate under paragraph (c), clause (1), a program
148.20 that provides arrangements for off-site child care must maintain current documentation at
148.21 the substance use disorder facility of the child care provider's current licensure to provide
148.22 child care services.

148.23 (e) Adolescent residential programs that meet the requirements of Minnesota Rules,
148.24 parts 2960.0430 to 2960.0490 and 2960.0580 to 2960.0690, are exempt from the requirements
148.25 in paragraph (c), clause (5), items (i) to (iv).

148.26 (f) Substance use disorder services that are otherwise covered as direct face-to-face
148.27 services may be provided via telehealth as defined in section 256B.0625, subdivision 3b.
148.28 The use of telehealth to deliver services must be medically appropriate to the condition and
148.29 needs of the person being served. Reimbursement shall be at the same rates and under the
148.30 same conditions that would otherwise apply to direct face-to-face services.

148.31 (g) For the purpose of reimbursement under this section, substance use disorder treatment
148.32 services provided in a group setting without a group participant maximum or maximum

149.1 client to staff ratio under chapter 245G shall not exceed a client to staff ratio of 48 to one.
149.2 At least one of the attending staff must meet the qualifications as established under this
149.3 chapter for the type of treatment service provided. A recovery peer may not be included as
149.4 part of the staff ratio.

149.5 (h) Payment for outpatient substance use disorder services that are licensed according
149.6 to sections 245G.01 to 245G.17 is limited to six hours per day or 30 hours per week unless
149.7 prior authorization of a greater number of hours is obtained from the commissioner.

149.8 (i) Payment for substance use disorder services under this section must start from the
149.9 day of service initiation, when the comprehensive assessment is completed within the
149.10 required timelines.

149.11 (j) A license holder that is unable to provide all residential treatment services because
149.12 a client missed services remains eligible to bill for the client's intensity level of services
149.13 under this paragraph if the license holder can document the reason the client missed services
149.14 and the interventions done to address the client's absence.

149.15 (k) Hours in a treatment week may be reduced in observance of federally recognized
149.16 holidays.

149.17 (l) Eligible vendors of peer recovery support services must:

149.18 (1) submit to a review by the commissioner of up to ten percent of all medical assistance
149.19 and behavioral health fund claims to determine the medical necessity of peer recovery
149.20 support services for entities billing for peer recovery support services individually and not
149.21 receiving a daily rate; and

149.22 (2) limit an individual client to 14 hours per week for peer recovery support services
149.23 from an individual provider of peer recovery support services.

149.24 (m) Peer recovery support services not provided in accordance with section 254B.052
149.25 are subject to monetary recovery under section 256B.064 as money improperly paid.

149.26 Sec. 30. Minnesota Statutes 2024, section 256B.0615, subdivision 4, is amended to read:

149.27 Subd. 4. **Peer support specialist program providers.** The commissioner shall develop
149.28 a process to certify peer support specialist programs, in accordance with the federal
149.29 guidelines, in order for the program to bill for reimbursable services. Peer support programs
149.30 may be freestanding or within existing mental health community provider centers and
149.31 services.

150.1 Sec. 31. Minnesota Statutes 2024, section 256B.0616, subdivision 4, is amended to read:

150.2 Subd. 4. **Family peer support specialist program providers.** The commissioner shall
150.3 develop a process to certify family peer support ~~specialist~~ programs, in accordance with the
150.4 federal guidelines, in order for the program to bill for reimbursable services. Family peer
150.5 support programs must operate within an existing mental health community provider or
150.6 center.

150.7 Sec. 32. Minnesota Statutes 2024, section 256B.0616, subdivision 5, is amended to read:

150.8 Subd. 5. **Certified family peer specialist training and certification.** (a) The
150.9 commissioner shall develop ~~a~~ or approve the use of an existing training and certification
150.10 process for ~~certified~~ certifying family peer specialists. The Family peer specialist candidates
150.11 must have raised or be currently raising a child with a mental illness; ~~have had~~ experience
150.12 navigating the children's mental health system; ~~and must~~ demonstrate leadership and
150.13 advocacy skills and a strong dedication to family-driven and family-focused services. The
150.14 training curriculum must teach participating family peer ~~specialists~~ specialist candidates
150.15 specific skills relevant to providing peer support to other parents and youth.

150.16 (b) In addition to initial training and certification, the commissioner shall develop ongoing
150.17 continuing educational workshops on pertinent issues related to family peer support
150.18 counseling.

150.19 (c) Initial training leading to certification as a family peer specialist and continuing
150.20 education for certified family peer specialists must be delivered by the commissioner or a
150.21 third-party organization approved by the commissioner. An approved third-party organization
150.22 may also provide continuing education of certified family peer specialists.

150.23 Sec. 33. Minnesota Statutes 2024, section 256B.0622, subdivision 3a, is amended to read:

150.24 Subd. 3a. **Provider certification and contract requirements for assertive community**
150.25 **treatment.** (a) The assertive community treatment provider must have each ACT team be
150.26 certified by the state following the certification process and procedures developed by the
150.27 commissioner. The certification process determines whether the ACT team meets the
150.28 standards for assertive community treatment under this section, the standards in chapter
150.29 245I as required in section 245I.011, subdivision 5, and minimum program fidelity standards
150.30 as measured by a nationally recognized fidelity tool approved by the commissioner.
150.31 Recertification must occur at least every three years.

150.32 (b) An ACT team certified under this subdivision must meet the following standards:

- 151.1 (1) have capacity to recruit, hire, manage, and train required ACT team members;
- 151.2 (2) have adequate administrative ability to ensure availability of services;
- 151.3 (3) ensure flexibility in service delivery to respond to the changing and intermittent care
- 151.4 needs of a client as identified by the client and the individual treatment plan;
- 151.5 (4) keep all necessary records required by law;
- 151.6 (5) be an enrolled Medicaid provider; ~~and~~
- 151.7 (6) establish and maintain a quality assurance plan to determine specific service outcomes
- 151.8 and the client's satisfaction with services; and
- 151.9 (7) ensure that overall treatment supervision to the ACT team is provided by a qualified
- 151.10 member of the ACT team and is available during and after regular business hours and on
- 151.11 weekends and holidays.

151.12 (c) The commissioner may intervene at any time and decertify an ACT team with cause.

151.13 The commissioner shall establish a process for decertification of an ACT team and shall

151.14 require corrective action, medical assistance repayment, or decertification of an ACT team

151.15 that no longer meets the requirements in this section or that fails to meet the clinical quality

151.16 standards or administrative standards provided by the commissioner in the application and

151.17 certification process. The decertification is subject to appeal to the state.

151.18 Sec. 34. Minnesota Statutes 2024, section 256B.0622, subdivision 7a, is amended to read:

151.19 Subd. 7a. **Assertive community treatment team staff requirements and roles.** (a)

151.20 The required treatment staff qualifications and roles for an ACT team are:

151.21 (1) the team leader:

151.22 (i) shall be a mental health professional. ~~Individuals who are not licensed but who are~~

151.23 ~~eligible for licensure and are otherwise qualified may also fulfill this role;~~ clinical trainee,

151.24 or mental health practitioner;

151.25 (ii) must be an active member of the ACT team and provide some direct services to

151.26 clients;

151.27 (iii) must be a single full-time staff member, dedicated to the ACT team, who is

151.28 responsible for overseeing the administrative operations of the team and supervising team

151.29 members to ensure delivery of best and ethical practices; and

152.1 (iv) must be available to ensure that overall treatment supervision to the ACT team is
152.2 available after regular business hours and on weekends and holidays and is provided by a
152.3 qualified member of the ACT team;

152.4 (2) the psychiatric care provider:

152.5 (i) must be a mental health professional permitted to prescribe psychiatric medications
152.6 as part of the mental health professional's scope of practice. The psychiatric care provider
152.7 must have demonstrated clinical experience working with individuals with serious and
152.8 persistent mental illness;

152.9 (ii) shall collaborate with the team leader in sharing overall clinical responsibility for
152.10 screening and admitting clients; monitoring clients' treatment and team member service
152.11 delivery; educating staff on psychiatric and nonpsychiatric medications, their side effects,
152.12 and health-related conditions; actively collaborating with nurses; and helping provide
152.13 treatment supervision to the team;

152.14 (iii) shall fulfill the following functions for assertive community treatment clients:
152.15 provide assessment and treatment of clients' symptoms and response to medications, including
152.16 side effects; provide brief therapy to clients; provide diagnostic and medication education
152.17 to clients, with medication decisions based on shared decision making; monitor clients'
152.18 nonpsychiatric medical conditions and nonpsychiatric medications; and conduct home and
152.19 community visits;

152.20 (iv) shall serve as the point of contact for psychiatric treatment if a client is hospitalized
152.21 for mental health treatment and shall communicate directly with the client's inpatient
152.22 psychiatric care providers to ensure continuity of care;

152.23 (v) shall have a minimum full-time equivalency that is prorated at a rate of 16 hours per
152.24 50 clients. Part-time psychiatric care providers shall have designated hours to work on the
152.25 team, with sufficient blocks of time on consistent days to carry out the provider's clinical,
152.26 supervisory, and administrative responsibilities. No more than two psychiatric care providers
152.27 may share this role; and

152.28 (vi) shall provide psychiatric backup to the program after regular business hours and on
152.29 weekends and holidays. The psychiatric care provider may delegate this duty to another
152.30 qualified psychiatric provider;

152.31 (3) the nursing staff:

152.32 (i) shall consist of one to three registered nurses or advanced practice registered nurses,
152.33 of whom at least one has a minimum of one-year experience working with adults with

153.1 serious mental illness and a working knowledge of psychiatric medications. No more than
153.2 two individuals can share a full-time equivalent position;

153.3 (ii) are responsible for managing medication, administering and documenting medication
153.4 treatment, and managing a secure medication room; and

153.5 (iii) shall develop strategies, in collaboration with clients, to maximize taking medications
153.6 as prescribed; screen and monitor clients' mental and physical health conditions and
153.7 medication side effects; engage in health promotion, prevention, and education activities;
153.8 communicate and coordinate services with other medical providers; facilitate the development
153.9 of the individual treatment plan for clients assigned; and educate the ACT team in monitoring
153.10 psychiatric and physical health symptoms and medication side effects;

153.11 (4) the co-occurring disorder specialist:

153.12 (i) shall be a full-time equivalent co-occurring disorder specialist who has received
153.13 specific training on co-occurring disorders that is consistent with national evidence-based
153.14 practices. The training must include practical knowledge of common substances and how
153.15 they affect mental illnesses, the ability to assess substance use disorders and the client's
153.16 stage of treatment, motivational interviewing, and skills necessary to provide counseling to
153.17 clients at all different stages of change and treatment. The co-occurring disorder specialist
153.18 may also be an individual who is a licensed alcohol and drug counselor as described in
153.19 section 148F.01, subdivision 5, or a counselor who otherwise meets the training, experience,
153.20 and other requirements in section 245G.11, subdivision 5. No more than two co-occurring
153.21 disorder specialists may occupy this role; and

153.22 (ii) shall provide or facilitate the provision of co-occurring disorder treatment to clients.
153.23 The co-occurring disorder specialist shall serve as a consultant and educator to fellow ACT
153.24 team members on co-occurring disorders;

153.25 (5) the vocational specialist:

153.26 (i) shall be a full-time vocational specialist who has at least one-year experience providing
153.27 employment services or advanced education that involved field training in vocational services
153.28 to individuals with mental illness. An individual who does not meet these qualifications
153.29 may also serve as the vocational specialist upon completing a training plan approved by the
153.30 commissioner;

153.31 (ii) shall provide or facilitate the provision of vocational services to clients. The vocational
153.32 specialist serves as a consultant and educator to fellow ACT team members on these services;
153.33 and

154.1 (iii) must not refer individuals to receive any type of vocational services or linkage by
154.2 providers outside of the ACT team;

154.3 (6) the mental health certified peer specialist:

154.4 (i) shall be a full-time equivalent. No more than two individuals can share this position.

154.5 The mental health certified peer specialist is a fully integrated team member who provides
154.6 highly individualized services in the community and promotes the self-determination and
154.7 shared decision-making abilities of clients. This requirement may be waived due to workforce
154.8 shortages upon approval of the commissioner;

154.9 (ii) must provide coaching, mentoring, and consultation to the clients to promote recovery,
154.10 self-advocacy, and self-direction, promote wellness management strategies, and assist clients
154.11 in developing advance directives; and

154.12 (iii) must model recovery values, attitudes, beliefs, and personal action to encourage
154.13 wellness and resilience, provide consultation to team members, promote a culture where
154.14 the clients' points of view and preferences are recognized, understood, respected, and
154.15 integrated into treatment, and serve in a manner equivalent to other team members;

154.16 (7) the program administrative assistant shall be a full-time office-based program
154.17 administrative assistant position assigned to solely work with the ACT team, providing a
154.18 range of supports to the team, clients, and families; and

154.19 (8) additional staff:

154.20 (i) shall be based on team size. Additional treatment team staff may include mental
154.21 health professionals; clinical trainees; certified rehabilitation specialists; mental health
154.22 practitioners; or mental health rehabilitation workers. These individuals shall have the
154.23 knowledge, skills, and abilities required by the population served to carry out rehabilitation
154.24 and support functions; and

154.25 (ii) shall be selected based on specific program needs or the population served.

154.26 (b) Each ACT team must clearly document schedules for all ACT team members.

154.27 (c) Each ACT team member must serve as a primary team member for clients assigned
154.28 by the team leader and are responsible for facilitating the individual treatment plan process
154.29 for those clients. The primary team member for a client is the responsible team member
154.30 knowledgeable about the client's life and circumstances and writes the individual treatment
154.31 plan. The primary team member provides individual supportive therapy or counseling, and
154.32 provides primary support and education to the client's family and support system.

155.1 (d) Members of the ACT team must have strong clinical skills, professional qualifications,
155.2 experience, and competency to provide a full breadth of rehabilitation services. Each staff
155.3 member shall be proficient in their respective discipline and be able to work collaboratively
155.4 as a member of a multidisciplinary team to deliver the majority of the treatment,
155.5 rehabilitation, and support services clients require to fully benefit from receiving assertive
155.6 community treatment.

155.7 (e) Each ACT team member must fulfill training requirements established by the
155.8 commissioner.

155.9 **EFFECTIVE DATE.** This section is effective upon federal approval. The commissioner
155.10 of human services shall notify the revisor of statutes when federal approval is obtained.

155.11 Sec. 35. Minnesota Statutes 2024, section 256B.0625, subdivision 20, is amended to read:

155.12 Subd. 20. **Mental health case management.** (a) To the extent authorized by rule of the
155.13 state agency, medical assistance covers case management services to persons with serious
155.14 and persistent mental illness, persons with a complex post-traumatic stress disorder, and
155.15 children with severe emotional disturbance. Services provided under this section must meet
155.16 the relevant standards in sections 245.461 to 245.4887, the Comprehensive Adult and
155.17 Children's Mental Health Acts, Minnesota Rules, parts 9520.0900 to 9520.0926, and
155.18 9505.0322, excluding subpart 10.

155.19 (b) Entities meeting program standards set out in rules governing family community
155.20 support services as defined in section 245.4871, subdivision 17, are eligible for medical
155.21 assistance reimbursement for case management services for children with severe emotional
155.22 disturbance when these services meet the program standards in Minnesota Rules, parts
155.23 9520.0900 to 9520.0926 and 9505.0322, excluding subparts 6 and 10.

155.24 (c) Medical assistance and MinnesotaCare payment for mental health case management
155.25 shall be made on a monthly basis. In order to receive payment for an eligible child, the
155.26 provider must document at least a face-to-face contact either in person or by interactive
155.27 video that meets the requirements of subdivision 20b with the child, the child's parents, or
155.28 the child's legal representative. To receive payment for an eligible adult, the provider must
155.29 document:

155.30 (1) at least a face-to-face contact with the adult or the adult's legal representative either
155.31 in person or by interactive video that meets the requirements of subdivision 20b; or

155.32 (2) at least a telephone contact with the adult or the adult's legal representative and
155.33 document a face-to-face contact either in person or by interactive video that meets the

156.1 requirements of subdivision 20b with the adult or the adult's legal representative within the
156.2 preceding two months.

156.3 (d) Payment for mental health case management provided by county or state staff shall
156.4 be based on the monthly rate methodology under section 256B.094, subdivision 6, paragraph
156.5 (b), with separate rates calculated for child welfare and mental health, and within mental
156.6 health, separate rates for children and adults.

156.7 (e) Payment for mental health case management provided by Indian health services or
156.8 by agencies operated by Indian tribes may be made according to this section or other relevant
156.9 federally approved rate setting methodology.

156.10 (f) Payment for mental health case management provided by vendors who contract with
156.11 a county must be calculated in accordance with section 256B.076, subdivision 2. Payment
156.12 for mental health case management provided by vendors who contract with a Tribe must
156.13 be based on a monthly rate negotiated by the Tribe. The rate must not exceed the rate charged
156.14 by the vendor for the same service to other payers. If the service is provided by a team of
156.15 contracted vendors, the team shall determine how to distribute the rate among its members.
156.16 No reimbursement received by contracted vendors shall be returned to the county or tribe,
156.17 except to reimburse the county or tribe for advance funding provided by the county or tribe
156.18 to the vendor.

156.19 (g) If the service is provided by a team which includes contracted vendors, tribal staff,
156.20 and county or state staff, the costs for county or state staff participation in the team shall be
156.21 included in the rate for county-provided services. In this case, the contracted vendor, the
156.22 tribal agency, and the county may each receive separate payment for services provided by
156.23 each entity in the same month. In order to prevent duplication of services, each entity must
156.24 document, in the recipient's file, the need for team case management and a description of
156.25 the roles of the team members.

156.26 (h) Notwithstanding section 256B.19, subdivision 1, the nonfederal share of costs for
156.27 mental health case management shall be provided by the recipient's county of responsibility,
156.28 as defined in sections 256G.01 to 256G.12, from sources other than federal funds or funds
156.29 used to match other federal funds. If the service is provided by a tribal agency, the nonfederal
156.30 share, if any, shall be provided by the recipient's tribe. When this service is paid by the state
156.31 without a federal share through fee-for-service, 50 percent of the cost shall be provided by
156.32 the recipient's county of responsibility.

156.33 (i) Notwithstanding any administrative rule to the contrary, prepaid medical assistance
156.34 and MinnesotaCare include mental health case management. When the service is provided

157.1 through prepaid capitation, the nonfederal share is paid by the state and the county pays no
157.2 share.

157.3 (j) The commissioner may suspend, reduce, or terminate the reimbursement to a provider
157.4 that does not meet the reporting or other requirements of this section. The county of
157.5 responsibility, as defined in sections 256G.01 to 256G.12, or, if applicable, the tribal agency,
157.6 is responsible for any federal disallowances. The county or tribe may share this responsibility
157.7 with its contracted vendors.

157.8 (k) The commissioner shall set aside a portion of the federal funds earned for county
157.9 expenditures under this section to repay the special revenue maximization account under
157.10 section 256.01, subdivision 2, paragraph (n). The repayment is limited to:

157.11 (1) the costs of developing and implementing this section; and

157.12 (2) programming the information systems.

157.13 (l) Payments to counties and tribal agencies for case management expenditures under
157.14 this section shall only be made from federal earnings from services provided under this
157.15 section. When this service is paid by the state without a federal share through fee-for-service,
157.16 50 percent of the cost shall be provided by the state. Payments to county-contracted vendors
157.17 shall include the federal earnings, the state share, and the county share.

157.18 (m) Case management services under this subdivision do not include therapy, treatment,
157.19 legal, or outreach services.

157.20 (n) If the recipient is a resident of a nursing facility, intermediate care facility, or hospital,
157.21 and the recipient's institutional care is paid by medical assistance, payment for case
157.22 management services under this subdivision is limited to the lesser of:

157.23 (1) the last 180 days of the recipient's residency in that facility and may not exceed more
157.24 than six months in a calendar year; or

157.25 (2) the limits and conditions which apply to federal Medicaid funding for this service.

157.26 (o) Payment for case management services under this subdivision shall not duplicate
157.27 payments made under other program authorities for the same purpose.

157.28 (p) If the recipient is receiving care in a hospital, nursing facility, or residential setting
157.29 licensed under chapter 245A or 245D that is staffed 24 hours a day, seven days a week,
157.30 mental health targeted case management services must actively support identification of
157.31 community alternatives for the recipient and discharge planning.

158.1 **EFFECTIVE DATE.** This section is effective upon federal approval. The commissioner
158.2 of human services shall notify the revisor of statutes when federal approval is obtained.

158.3 Sec. 36. **[256G.061] WITHDRAWAL MANAGEMENT SERVICES.**

158.4 The county of financial responsibility for withdrawal management services is defined
158.5 in section 256G.02, subdivision 4.

158.6 Sec. 37. Minnesota Statutes 2024, section 256L.03, subdivision 5, is amended to read:

158.7 Subd. 5. **Cost-sharing.** (a) Co-payments, coinsurance, and deductibles do not apply to
158.8 children under the age of 21 and to American Indians as defined in Code of Federal
158.9 Regulations, title 42, section 600.5.

158.10 (b) The commissioner must adjust co-payments, coinsurance, and deductibles for covered
158.11 services in a manner sufficient to maintain the actuarial value of the benefit to 94 percent.
158.12 The cost-sharing changes described in this paragraph do not apply to eligible recipients or
158.13 services exempt from cost-sharing under state law. The cost-sharing changes described in
158.14 this paragraph shall not be implemented prior to January 1, 2016.

158.15 (c) The cost-sharing changes authorized under paragraph (b) must satisfy the requirements
158.16 for cost-sharing under the Basic Health Program as set forth in Code of Federal Regulations,
158.17 title 42, sections 600.510 and 600.520.

158.18 (d) Cost-sharing for prescription drugs and related medical supplies to treat chronic
158.19 disease must comply with the requirements of section 62Q.481.

158.20 (e) Co-payments, coinsurance, and deductibles do not apply to additional diagnostic
158.21 services or testing that a health care provider determines an enrollee requires after a
158.22 mammogram, as specified under section 62A.30, subdivision 5.

158.23 (f) Cost-sharing must not apply to drugs used for tobacco and nicotine cessation or to
158.24 tobacco and nicotine cessation services covered under section 256B.0625, subdivision 68.

158.25 (g) Co-payments, coinsurance, and deductibles do not apply to pre-exposure prophylaxis
158.26 (PrEP) and postexposure prophylaxis (PEP) medications when used for the prevention or
158.27 treatment of the human immunodeficiency virus (HIV).

158.28 (h) Co-payments, coinsurance, and deductibles do not apply to mobile crisis intervention
158.29 or crisis assessment as defined in section 256B.0624, subdivision 2.

159.1 **EFFECTIVE DATE.** This section is effective January 1, 2026, or upon federal approval,
159.2 whichever is later. The commissioner of human services shall notify the revisor of statutes
159.3 when federal approval is obtained.

159.4 Sec. 38. **REVISOR INSTRUCTION.**

159.5 The revisor of statutes shall substitute the term "substance use disorder assessment" or
159.6 similar terms for "chemical dependency assessment" or similar terms, for "chemical use
159.7 assessment" or similar terms, and for "comprehensive substance use disorder assessment"
159.8 or similar terms wherever they appear in Minnesota Statutes, chapter 169A, and Minnesota
159.9 Rules, chapter 7503, when referring to the assessments required under Minnesota Statutes,
159.10 section 169A.70, or the charges or surcharges associated with those assessments.

159.11 **ARTICLE 5**

159.12 **DEPARTMENT OF HUMAN SERVICES OFFICE OF INSPECTOR GENERAL**

159.13 Section 1. Minnesota Statutes 2024, section 142E.51, subdivision 5, is amended to read:

159.14 Subd. 5. **Administrative disqualification of child care providers caring for children**
159.15 **receiving child care assistance.** (a) The department shall pursue an administrative
159.16 disqualification; if the child care provider is accused of committing an intentional program
159.17 violation, ~~in lieu of a criminal action when it has not been pursued~~ the department refers
159.18 the investigation to a law enforcement or prosecutorial agency for possible criminal
159.19 prosecution, and the law enforcement or prosecutorial agency does not pursue a criminal
159.20 action. Intentional program violations include intentionally making false or misleading
159.21 statements; intentionally offering, providing, soliciting, or receiving illegal remuneration
159.22 as described in subdivision 6a or in violation of section 609.542, subdivision 2; intentionally
159.23 misrepresenting, concealing, or withholding facts; and repeatedly and intentionally violating
159.24 program regulations under this chapter. No conviction is required before the department
159.25 pursues an administrative disqualification. Intent may be proven by demonstrating a pattern
159.26 of conduct that violates program rules under this chapter.

159.27 (b) To initiate an administrative disqualification, the commissioner must send written
159.28 notice using a signature-verified confirmed delivery method to the provider against whom
159.29 the action is being taken. Unless otherwise specified under this chapter or Minnesota Rules,
159.30 chapter 3400, the commissioner must send the written notice at least 15 calendar days before
159.31 the adverse action's effective date. The notice shall state (1) the factual basis for the agency's
159.32 determination, (2) the action the agency intends to take, (3) the dollar amount of the monetary

160.1 recovery or recoupment, if known, and (4) the provider's right to appeal the agency's proposed
160.2 action.

160.3 (c) The provider may appeal an administrative disqualification by submitting a written
160.4 request to the state agency. A provider's request must be received by the state agency no
160.5 later than 30 days after the date the commissioner mails the notice.

160.6 (d) The provider's appeal request must contain the following:

160.7 (1) each disputed item, the reason for the dispute, and, if applicable, an estimate of the
160.8 dollar amount involved for each disputed item;

160.9 (2) the computation the provider believes to be correct, if applicable;

160.10 (3) the statute or rule relied on for each disputed item; and

160.11 (4) the name, address, and telephone number of the person at the provider's place of
160.12 business with whom contact may be made regarding the appeal.

160.13 (e) On appeal, the issuing agency bears the burden of proof to demonstrate by a
160.14 preponderance of the evidence that the provider committed an intentional program violation.

160.15 (f) The hearing is subject to the requirements of section 142A.20. The human services
160.16 judge may combine a fair hearing and administrative disqualification hearing into a single
160.17 hearing if the factual issues arise out of the same or related circumstances and the provider
160.18 receives prior notice that the hearings will be combined.

160.19 (g) A provider found to have committed an intentional program violation and is
160.20 administratively disqualified must be disqualified, for a period of three years for the first
160.21 offense and permanently for any subsequent offense, from receiving any payments from
160.22 any child care program under this chapter.

160.23 (h) Unless a timely and proper appeal made under this section is received by the
160.24 department, the administrative determination of the department is final and binding.

160.25 Sec. 2. Minnesota Statutes 2024, section 142E.51, subdivision 6, is amended to read:

160.26 Subd. 6. **Prohibited hiring practice practices.** ~~It is prohibited to~~ A person must not
160.27 hire a child care center employee when, as a condition of employment, the employee is
160.28 required to have one or more children who are eligible for or receive child care assistance,
160.29 if:

161.1 (1) the individual hiring the employee is, or is acting at the direction of or in cooperation
 161.2 with, a child care center provider, center owner, director, manager, license holder, or other
 161.3 controlling individual; and

161.4 (2) the individual hiring the employee knows or has reason to know the purpose in hiring
 161.5 the employee is to obtain child care assistance program funds.

161.6 Sec. 3. Minnesota Statutes 2024, section 142E.51, is amended by adding a subdivision to
 161.7 read:

161.8 Subd. 6a. **Illegal remuneration.** (a) Except as provided in paragraph (b), program
 161.9 applicants, participants, and providers must not offer, provide, solicit, or receive money, a
 161.10 discount, a credit, a waiver, a rebate, a good, a service, employment, or anything else of
 161.11 value in exchange for:

161.12 (1) obtaining or attempting to obtain child care assistance program benefits; or

161.13 (2) directing a person's child care assistance program benefits to a particular provider.

161.14 (b) The prohibition in paragraph (a) does not apply to:

161.15 (1) marketing or promotional offerings that directly benefit an applicant or recipient's
 161.16 child or dependent for whom the child care provider is providing child care services; or

161.17 (2) child care provider discounts, scholarships, or other financial assistance allowed
 161.18 under section 142E.17, subdivision 7.

161.19 (c) An attempt to buy or sell access to a family's child care assistance program benefits
 161.20 to an unauthorized person by an applicant, a participant, or a provider is an intentional
 161.21 program violation under subdivision 5 and wrongfully obtaining assistance under section
 161.22 256.98.

161.23 Sec. 4. Minnesota Statutes 2024, section 144.651, subdivision 2, is amended to read:

161.24 Subd. 2. **Definitions.** For the purposes of this section, "patient" means a person who is
 161.25 admitted to an acute care inpatient facility for a continuous period longer than 24 hours, for
 161.26 the purpose of diagnosis or treatment bearing on the physical or mental health of that person.
 161.27 For purposes of subdivisions 4 to 9, 12, 13, 15, 16, and 18 to 20, "patient" also means a
 161.28 person who receives health care services at an outpatient surgical center or at a birth center
 161.29 licensed under section 144.615. "Patient" also means a ~~minor~~ person who is admitted to a
 161.30 residential program as defined in section 253C.01. "Patient" also means a person who is
 161.31 admitted to a residential substance use disorder treatment program licensed according to

162.1 Minnesota Rules, parts 2960.0430 to 2960.0490. For purposes of subdivisions 1, 3 to 16,
 162.2 18, 20 and 30, "patient" also means any person who is receiving mental health treatment or
 162.3 substance use disorder treatment on an outpatient basis or in a community support program
 162.4 or other community-based program. "Resident" means a person who is admitted to a nonacute
 162.5 care facility including extended care facilities, nursing homes, and boarding care homes for
 162.6 care required because of prolonged mental or physical illness or disability, recovery from
 162.7 injury or disease, or advancing age. For purposes of all subdivisions except subdivisions
 162.8 28 and 29, "resident" also means a person who is admitted to a facility licensed as a board
 162.9 and lodging facility under Minnesota Rules, parts 4625.0100 to 4625.2355, a boarding care
 162.10 home under sections 144.50 to 144.56, or a supervised living facility under Minnesota Rules,
 162.11 parts 4665.0100 to 4665.9900, and ~~which~~ that operates a ~~rehabilitation~~ withdrawal
 162.12 management program licensed under chapter 245F, a residential substance use disorder
 162.13 treatment program licensed under chapter 245G or, an intensive residential treatment services
 162.14 or residential crisis stabilization program licensed under chapter 245I, or a detoxification
 162.15 program licensed under Minnesota Rules, parts 9530.6510 to 9530.6590.

162.16 Sec. 5. Minnesota Statutes 2024, section 245A.04, subdivision 1, is amended to read:

162.17 Subdivision 1. **Application for licensure.** (a) An individual, organization, or government
 162.18 entity that is subject to licensure under section 245A.03 must apply for a license. The
 162.19 application must be made on the forms and in the manner prescribed by the commissioner.
 162.20 The commissioner shall provide the applicant with instruction in completing the application
 162.21 and provide information about the rules and requirements of other state agencies that affect
 162.22 the applicant. An applicant seeking licensure in Minnesota with headquarters outside of
 162.23 Minnesota must have a program office located within 30 miles of the Minnesota border.
 162.24 An applicant who intends to buy or otherwise acquire a program or services licensed under
 162.25 this chapter that is owned by another license holder must apply for a license under this
 162.26 chapter and comply with the application procedures in this section and section 245A.043.

162.27 The commissioner shall act on the application within 90 working days after a complete
 162.28 application and any required reports have been received from other state agencies or
 162.29 departments, counties, municipalities, or other political subdivisions. The commissioner
 162.30 shall not consider an application to be complete until the commissioner receives all of the
 162.31 required information.

162.32 When the commissioner receives an application for initial licensure that is incomplete
 162.33 because the applicant failed to submit required documents or that is substantially deficient
 162.34 because the documents submitted do not meet licensing requirements, the commissioner

163.1 shall provide the applicant written notice that the application is incomplete or substantially
163.2 deficient. In the written notice to the applicant the commissioner shall identify documents
163.3 that are missing or deficient and give the applicant 45 days to resubmit a second application
163.4 that is substantially complete. An applicant's failure to submit a substantially complete
163.5 application after receiving notice from the commissioner is a basis for license denial under
163.6 section 245A.043.

163.7 (b) An application for licensure must identify all controlling individuals as defined in
163.8 section 245A.02, subdivision 5a, and must designate one individual to be the authorized
163.9 agent. The application must be signed by the authorized agent and must include the authorized
163.10 agent's first, middle, and last name; mailing address; and email address. By submitting an
163.11 application for licensure, the authorized agent consents to electronic communication with
163.12 the commissioner throughout the application process. The authorized agent must be
163.13 authorized to accept service on behalf of all of the controlling individuals. A government
163.14 entity that holds multiple licenses under this chapter may designate one authorized agent
163.15 for all licenses issued under this chapter or may designate a different authorized agent for
163.16 each license. Service on the authorized agent is service on all of the controlling individuals.
163.17 It is not a defense to any action arising under this chapter that service was not made on each
163.18 controlling individual. The designation of a controlling individual as the authorized agent
163.19 under this paragraph does not affect the legal responsibility of any other controlling individual
163.20 under this chapter.

163.21 (c) An applicant or license holder must have a policy that prohibits license holders,
163.22 employees, subcontractors, and volunteers, when directly responsible for persons served
163.23 by the program, from abusing prescription medication or being in any manner under the
163.24 influence of a chemical that impairs the individual's ability to provide services or care. The
163.25 license holder must train employees, subcontractors, and volunteers about the program's
163.26 drug and alcohol policy before the employee, subcontractor, or volunteer has direct contact,
163.27 as defined in section 245C.02, subdivision 11, with a person served by the program.

163.28 (d) An applicant and license holder must have a program grievance procedure that permits
163.29 persons served by the program and their authorized representatives to bring a grievance to
163.30 the highest level of authority in the program.

163.31 (e) The commissioner may limit communication during the application process to the
163.32 authorized agent or the controlling individuals identified on the license application and for
163.33 whom a background study was initiated under chapter 245C. Upon implementation of the
163.34 provider licensing and reporting hub, applicants and license holders must use the hub in the
163.35 manner prescribed by the commissioner. The commissioner may require the applicant,

164.1 except for child foster care, to demonstrate competence in the applicable licensing
164.2 requirements by successfully completing a written examination. The commissioner may
164.3 develop a prescribed written examination format.

164.4 (f) When an applicant is an individual, the applicant must provide:

164.5 (1) the applicant's taxpayer identification numbers including the Social Security number
164.6 or Minnesota tax identification number, and federal employer identification number if the
164.7 applicant has employees;

164.8 (2) at the request of the commissioner, a copy of the most recent filing with the secretary
164.9 of state that includes the complete business name, if any;

164.10 (3) if doing business under a different name, the doing business as (DBA) name, as
164.11 registered with the secretary of state;

164.12 (4) if applicable, the applicant's National Provider Identifier (NPI) number and Unique
164.13 Minnesota Provider Identifier (UMPI) number; and

164.14 (5) at the request of the commissioner, the notarized signature of the applicant or
164.15 authorized agent.

164.16 (g) When an applicant is an organization, the applicant must provide:

164.17 (1) the applicant's taxpayer identification numbers including the Minnesota tax
164.18 identification number and federal employer identification number;

164.19 (2) at the request of the commissioner, a copy of the most recent filing with the secretary
164.20 of state that includes the complete business name, and if doing business under a different
164.21 name, the doing business as (DBA) name, as registered with the secretary of state;

164.22 (3) the first, middle, and last name, and address for all individuals who will be controlling
164.23 individuals, including all officers, owners, and managerial officials as defined in section
164.24 245A.02, subdivision 5a, and the date that the background study was initiated by the applicant
164.25 for each controlling individual;

164.26 (4) if applicable, the applicant's NPI number and UMPI number;

164.27 (5) the documents that created the organization and that determine the organization's
164.28 internal governance and the relations among the persons that own the organization, have
164.29 an interest in the organization, or are members of the organization, in each case as provided
164.30 or authorized by the organization's governing statute, which may include a partnership
164.31 agreement, bylaws, articles of organization, organizational chart, and operating agreement,
164.32 or comparable documents as provided in the organization's governing statute; and

- 165.1 (6) the notarized signature of the applicant or authorized agent.
- 165.2 (h) When the applicant is a government entity, the applicant must provide:
- 165.3 (1) the name of the government agency, political subdivision, or other unit of government
165.4 seeking the license and the name of the program or services that will be licensed;
- 165.5 (2) the applicant's taxpayer identification numbers including the Minnesota tax
165.6 identification number and federal employer identification number;
- 165.7 (3) a letter signed by the manager, administrator, or other executive of the government
165.8 entity authorizing the submission of the license application; and
- 165.9 (4) if applicable, the applicant's NPI number and UMPI number.
- 165.10 (i) At the time of application for licensure or renewal of a license under this chapter, the
165.11 applicant or license holder must acknowledge on the form provided by the commissioner
165.12 if the applicant or license holder elects to receive any public funding reimbursement from
165.13 the commissioner for services provided under the license that:
- 165.14 (1) the applicant's or license holder's compliance with the provider enrollment agreement
165.15 or registration requirements for receipt of public funding may be monitored by the
165.16 commissioner as part of a licensing investigation or licensing inspection; and
- 165.17 (2) noncompliance with the provider enrollment agreement or registration requirements
165.18 for receipt of public funding that is identified through a licensing investigation or licensing
165.19 inspection, or noncompliance with a licensing requirement that is a basis of enrollment for
165.20 reimbursement for a service, may result in:
- 165.21 (i) a correction order or a conditional license under section 245A.06, or sanctions under
165.22 section 245A.07;
- 165.23 (ii) nonpayment of claims submitted by the license holder for public program
165.24 reimbursement;
- 165.25 (iii) recovery of payments made for the service;
- 165.26 (iv) disenrollment in the public payment program; or
- 165.27 (v) other administrative, civil, or criminal penalties as provided by law.
- 165.28 Sec. 6. Minnesota Statutes 2024, section 245A.04, subdivision 7, is amended to read:
- 165.29 Subd. 7. **Grant of license; license extension.** (a) If the commissioner determines that
165.30 the program complies with all applicable rules and laws, the commissioner shall issue a

166.1 license consistent with this section or, if applicable, a temporary change of ownership license
166.2 under section 245A.043. At minimum, the license shall state:

166.3 (1) the name of the license holder;

166.4 (2) the address of the program;

166.5 (3) the effective date and expiration date of the license;

166.6 (4) the type of license;

166.7 (5) the maximum number and ages of persons that may receive services from the program;

166.8 and

166.9 (6) any special conditions of licensure.

166.10 (b) The commissioner may issue a license for a period not to exceed two years if:

166.11 (1) the commissioner is unable to conduct the observation required by subdivision 4,

166.12 paragraph (a), clause (3), because the program is not yet operational;

166.13 (2) certain records and documents are not available because persons are not yet receiving

166.14 services from the program; and

166.15 (3) the applicant complies with applicable laws and rules in all other respects.

166.16 (c) A decision by the commissioner to issue a license does not guarantee that any person

166.17 or persons will be placed or cared for in the licensed program.

166.18 (d) Except as provided in paragraphs (i) and (j), the commissioner shall not issue a

166.19 license if the applicant, license holder, or an affiliated controlling individual has:

166.20 (1) been disqualified and the disqualification was not set aside and no variance has been

166.21 granted;

166.22 (2) been denied a license under this chapter or chapter 142B within the past two years;

166.23 (3) had a license issued under this chapter or chapter 142B revoked within the past five

166.24 years; or

166.25 (4) failed to submit the information required of an applicant under subdivision 1,

166.26 paragraph (f), (g), or (h), after being requested by the commissioner.

166.27 When a license issued under this chapter or chapter 142B is revoked, the license holder

166.28 and each affiliated controlling individual with a revoked license may not hold any license

166.29 under chapter 245A for five years following the revocation, and other licenses held by the

167.1 applicant or license holder or licenses affiliated with each controlling individual shall also
167.2 be revoked.

167.3 (e) Notwithstanding paragraph (d), the commissioner may elect not to revoke a license
167.4 affiliated with a license holder or controlling individual that had a license revoked within
167.5 the past five years if the commissioner determines that (1) the license holder or controlling
167.6 individual is operating the program in substantial compliance with applicable laws and rules
167.7 and (2) the program's continued operation is in the best interests of the community being
167.8 served.

167.9 (f) Notwithstanding paragraph (d), the commissioner may issue a new license in response
167.10 to an application that is affiliated with an applicant, license holder, or controlling individual
167.11 that had an application denied within the past two years or a license revoked within the past
167.12 five years if the commissioner determines that (1) the applicant or controlling individual
167.13 has operated one or more programs in substantial compliance with applicable laws and rules
167.14 and (2) the program's operation would be in the best interests of the community to be served.

167.15 (g) In determining whether a program's operation would be in the best interests of the
167.16 community to be served, the commissioner shall consider factors such as the number of
167.17 persons served, the availability of alternative services available in the surrounding
167.18 community, the management structure of the program, whether the program provides
167.19 culturally specific services, and other relevant factors.

167.20 (h) The commissioner shall not issue or reissue a license under this chapter if an individual
167.21 living in the household where the services will be provided as specified under section
167.22 245C.03, subdivision 1, has been disqualified and the disqualification has not been set aside
167.23 and no variance has been granted.

167.24 (i) Pursuant to section 245A.07, subdivision 1, paragraph (b), when a license issued
167.25 under this chapter has been suspended or revoked and the suspension or revocation is under
167.26 appeal, the program may continue to operate pending a final order from the commissioner.
167.27 If the license under suspension or revocation will expire before a final order is issued, a
167.28 temporary provisional license may be issued provided any applicable license fee is paid
167.29 before the temporary provisional license is issued.

167.30 (j) Notwithstanding paragraph (i), when a revocation is based on the disqualification of
167.31 a controlling individual or license holder, and the controlling individual or license holder
167.32 is ordered under section 245C.17 to be immediately removed from direct contact with
167.33 persons receiving services or is ordered to be under continuous, direct supervision when
167.34 providing direct contact services, the program may continue to operate only if the program

168.1 complies with the order and submits documentation demonstrating compliance with the
168.2 order. If the disqualified individual fails to submit a timely request for reconsideration, or
168.3 if the disqualification is not set aside and no variance is granted, the order to immediately
168.4 remove the individual from direct contact or to be under continuous, direct supervision
168.5 remains in effect pending the outcome of a hearing and final order from the commissioner.

168.6 (k) Unless otherwise specified by statute, all licenses issued under this chapter expire
168.7 at 12:01 a.m. on the day after the expiration date stated on the license. A license holder must
168.8 ~~apply for and be granted~~ comply with the requirements in section 245A.10 and be reissued
168.9 a new license to operate the program or the program must not be operated after the expiration
168.10 date. Adult foster care, family adult day services, child foster residence setting, and
168.11 community residential services license holders must apply for and be granted a new license
168.12 to operate the program or the program must not be operated after the expiration date. Upon
168.13 implementation of the provider licensing and reporting hub, licenses may be issued each
168.14 calendar year.

168.15 (l) The commissioner shall not issue or reissue a license under this chapter if it has been
168.16 determined that a Tribal licensing authority has established jurisdiction to license the program
168.17 or service.

168.18 (m) The commissioner of human services may coordinate and share data with the
168.19 commissioner of children, youth, and families to enforce this section.

168.20 Sec. 7. Minnesota Statutes 2024, section 245A.042, is amended by adding a subdivision
168.21 to read:

168.22 Subd. 5. **Technical assistance and legal referrals required.** If requested by a license
168.23 holder that is subject to an enforcement action under section 245A.06 or 245A.07 and
168.24 operating a program licensed under this chapter and chapter 245D, the commissioner must
168.25 provide the license holder with requested technical assistance or must comply with a request
168.26 for a referral to legal assistance.

168.27 Sec. 8. Minnesota Statutes 2024, section 245A.16, subdivision 1, is amended to read:

168.28 Subdivision 1. **Delegation of authority to agencies.** (a) County agencies that have been
168.29 designated by the commissioner to perform licensing functions and activities under section
168.30 245A.04; to recommend denial of applicants under section 245A.05; to issue correction
168.31 orders, to issue variances, and recommend a conditional license under section 245A.06; or
168.32 to recommend suspending or revoking a license or issuing a fine under section 245A.07,
168.33 shall comply with rules and directives of the commissioner governing those functions and

169.1 with this section. The following variances are excluded from the delegation of variance
169.2 authority and may be issued only by the commissioner:

169.3 (1) dual licensure of child foster residence setting and community residential setting;

169.4 (2) until the responsibility for family child foster care transfers to the commissioner of
169.5 children, youth, and families under Laws 2023, chapter 70, article 12, section 30, dual
169.6 licensure of family child foster care and family adult foster care;

169.7 (3) until the responsibility for family child care transfers to the commissioner of children,
169.8 youth, and families under Laws 2023, chapter 70, article 12, section 30, dual licensure of
169.9 family adult foster care and family child care;

169.10 (4) adult foster care or community residential setting maximum capacity;

169.11 (5) adult foster care or community residential setting minimum age requirement;

169.12 (6) child foster care maximum age requirement;

169.13 (7) variances regarding disqualified individuals;

169.14 (8) the required presence of a caregiver in the adult foster care residence during normal
169.15 sleeping hours;

169.16 (9) variances to requirements relating to chemical use problems of a license holder or a
169.17 household member of a license holder; and

169.18 (10) variances to section 142B.46 for the use of a cradleboard for a cultural
169.19 accommodation.

169.20 (b) Once the respective responsibilities transfer from the commissioner of human services
169.21 to the commissioner of children, youth, and families, under Laws 2023, chapter 70, article
169.22 12, section 30, the commissioners of human services and children, youth, and families must
169.23 both approve a variance for dual licensure of family child foster care and family adult foster
169.24 care or family adult foster care and family child care. Variances under this paragraph are
169.25 excluded from the delegation of variance authority and may be issued only by both
169.26 commissioners.

169.27 ~~(c) For family adult day services programs, the commissioner may authorize licensing~~
169.28 ~~reviews every two years after a licensee has had at least one annual review.~~

169.29 ~~(d) A~~ (c) An adult foster care, family adult day services, child foster residence setting,
169.30 or community residential services license issued under this section may be issued for up to
169.31 two years until implementation of the provider licensing and reporting hub. Upon

170.1 implementation of the provider licensing and reporting hub, licenses may be issued each
170.2 calendar year.

170.3 ~~(e)~~ (d) During implementation of chapter 245D, the commissioner shall consider:

170.4 (1) the role of counties in quality assurance;

170.5 (2) the duties of county licensing staff; and

170.6 (3) the possible use of joint powers agreements, according to section 471.59, with counties
170.7 through which some licensing duties under chapter 245D may be delegated by the
170.8 commissioner to the counties.

170.9 Any consideration related to this paragraph must meet all of the requirements of the corrective
170.10 action plan ordered by the federal Centers for Medicare and Medicaid Services.

170.11 ~~(f)~~ (e) Licensing authority specific to section 245D.06, subdivisions 5, 6, 7, and 8, or
170.12 successor provisions; and section 245D.061 or successor provisions, for family child foster
170.13 care programs providing out-of-home respite, as identified in section 245D.03, subdivision
170.14 1, paragraph (b), clause (1), is excluded from the delegation of authority to county agencies.

170.15 Sec. 9. Minnesota Statutes 2024, section 245A.242, subdivision 2, is amended to read:

170.16 Subd. 2. **Emergency overdose treatment.** (a) A license holder must maintain a supply
170.17 of opiate antagonists as defined in section 604A.04, subdivision 1, available for emergency
170.18 treatment of opioid overdose and must have a written standing order protocol by a physician
170.19 who is licensed under chapter 147, advanced practice registered nurse who is licensed under
170.20 chapter 148, or physician assistant who is licensed under chapter 147A, that permits the
170.21 license holder to maintain a supply of opiate antagonists on site. A license holder must
170.22 require staff to undergo training in the specific mode of administration used at the program,
170.23 which may include intranasal administration, intramuscular injection, or both, before the
170.24 staff has direct contact, as defined in section 245C.02, subdivision 11, with a person served
170.25 by the program.

170.26 (b) Notwithstanding any requirements to the contrary in Minnesota Rules, chapters 2960
170.27 and 9530, and Minnesota Statutes, chapters 245F, 245G, and 245I:

170.28 (1) emergency opiate antagonist medications are not required to be stored in a locked
170.29 area and staff and adult clients may carry this medication on them and store it in an unlocked
170.30 location;

170.31 (2) staff persons who only administer emergency opiate antagonist medications only
170.32 require the training required by paragraph (a), which any knowledgeable trainer may provide.

171.1 The trainer is not required to be a registered nurse or part of an accredited educational
171.2 institution; and

171.3 (3) nonresidential substance use disorder treatment programs that do not administer
171.4 client medications beyond emergency opiate antagonist medications are not required to
171.5 have the policies and procedures required in section 245G.08, subdivisions 5 and 6, and
171.6 must instead describe the program's procedures for administering opiate antagonist
171.7 medications in the license holder's description of health care services under section 245G.08,
171.8 subdivision 1.

171.9 Sec. 10. Minnesota Statutes 2024, section 245C.05, is amended by adding a subdivision
171.10 to read:

171.11 Subd. 9. **Electronic signature.** For documentation requiring a signature under this
171.12 chapter, use of an electronic signature as defined under section 325L.02, paragraph (h), is
171.13 allowed.

171.14 Sec. 11. Minnesota Statutes 2024, section 245C.08, subdivision 3, is amended to read:

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

171.19 (1) the Bureau of Criminal Apprehension;

171.20 (2) the commissioners of children, youth, and families; health; and human services;

171.21 (3) a ~~county attorney~~ prosecutor;

171.22 ~~(4) a county sheriff;~~

171.23 ~~(5) (4) a county agency;~~

171.24 ~~(6) (5) a local chief of police~~ law enforcement agency;

171.25 ~~(7) (6) other states;~~

171.26 ~~(8) (7) the courts;~~

171.27 ~~(9) (8) the Federal Bureau of Investigation;~~

171.28 ~~(10) (9) the National Criminal Records Repository; and~~

171.29 ~~(11) (10) criminal records from other states.~~

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

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

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

172.15 Sec. 12. Minnesota Statutes 2024, section 245C.22, subdivision 5, is amended to read:

172.16 Subd. 5. **Scope of set-aside.** (a) If the commissioner sets aside a disqualification under
172.17 this section, the disqualified individual remains disqualified, but may hold a license and
172.18 have direct contact with or access to persons receiving services. Except as provided in
172.19 paragraph (b), the commissioner's set-aside of a disqualification is limited solely to the
172.20 licensed program, applicant, or agency specified in the set aside notice under section 245C.23.
172.21 For personal care provider organizations, financial management services organizations,
172.22 community first services and supports organizations, unlicensed home and community-based
172.23 organizations, and consumer-directed community supports organizations, the commissioner's
172.24 set-aside may further be limited to a specific individual who is receiving services. For new
172.25 background studies required under section 245C.04, subdivision 1, paragraph (h), if an
172.26 individual's disqualification was previously set aside for the license holder's program and
172.27 the new background study results in no new information that indicates the individual may
172.28 pose a risk of harm to persons receiving services from the license holder, the previous
172.29 set-aside shall remain in effect.

172.30 (b) If the commissioner has previously set aside an individual's disqualification for one
172.31 or more programs or agencies, and the individual is the subject of a subsequent background
172.32 study for a different program or agency, the commissioner shall determine whether the
172.33 disqualification is set aside for the program or agency that initiated the subsequent

173.1 background study. A notice of a set-aside under paragraph (c) shall be issued within 15
173.2 working days if all of the following criteria are met:

173.3 (1) the subsequent background study was initiated in connection with a program licensed
173.4 or regulated under the same provisions of law and rule for at least one program for which
173.5 the individual's disqualification was previously set aside by the commissioner;

173.6 (2) the individual is not disqualified for an offense specified in section 245C.15,
173.7 subdivision 1 or 2;

173.8 (3) the commissioner has received no new information to indicate that the individual
173.9 may pose a risk of harm to any person served by the program; and

173.10 (4) the previous set-aside was not limited to a specific person receiving services.

173.11 (c) Notwithstanding paragraph (b), clause (2), for an individual who is employed in the
173.12 substance use disorder field, if the commissioner has previously set aside an individual's
173.13 disqualification for one or more programs or agencies in the substance use disorder treatment
173.14 field, and the individual is the subject of a subsequent background study for a different
173.15 program or agency in the substance use disorder treatment field, the commissioner shall set
173.16 aside the disqualification for the program or agency in the substance use disorder treatment
173.17 field that initiated the subsequent background study when the criteria under paragraph (b),
173.18 clauses (1), (3), and (4), are met and the individual is not disqualified for an offense specified
173.19 in section 245C.15, subdivision 1. A notice of a set-aside under paragraph (d) shall be issued
173.20 within 15 working days.

173.21 (d) When a disqualification is set aside under paragraph (b), the notice of background
173.22 study results issued under section 245C.17, in addition to the requirements under section
173.23 245C.17, shall state that the disqualification is set aside for the program or agency that
173.24 initiated the subsequent background study. The notice must inform the individual that the
173.25 individual may request reconsideration of the disqualification under section 245C.21 on the
173.26 basis that the information used to disqualify the individual is incorrect.

173.27 Sec. 13. Minnesota Statutes 2024, section 245D.02, subdivision 4a, is amended to read:

173.28 Subd. 4a. **Community residential setting.** "Community residential setting" means a
173.29 residential program ~~as identified in section 245A.11, subdivision 8,~~ where residential supports
173.30 and services identified in section 245D.03, subdivision 1, paragraph (c), clause (3), items
173.31 (i) and (ii), are provided to adults, as defined in section 245A.02, subdivision 2, and the
173.32 license holder is the owner, lessor, or tenant of the facility licensed according to this chapter,
173.33 and the license holder does not reside in the facility.

174.1 **EFFECTIVE DATE.** This section is effective August 1, 2025.

174.2 Sec. 14. Minnesota Statutes 2024, section 245G.05, subdivision 1, is amended to read:

174.3 Subdivision 1. **Comprehensive assessment.** A comprehensive assessment of the client's
174.4 substance use disorder must be administered face-to-face by an alcohol and drug counselor
174.5 within five calendar days from the day of service initiation for a residential program or by
174.6 the end of the fifth day on which a treatment service is provided in a nonresidential program.
174.7 The number of days to complete the comprehensive assessment excludes the day of service
174.8 initiation. If the comprehensive assessment is not completed within the required time frame,
174.9 the person-centered reason for the delay and the planned completion date must be documented
174.10 in the client's file. The comprehensive assessment is complete upon a qualified staff member's
174.11 dated signature. If the client previously received a comprehensive assessment ~~that authorized~~
174.12 ~~the treatment service~~, an alcohol and drug counselor may use the comprehensive assessment
174.13 for requirements of this subdivision but must document a review of the comprehensive
174.14 assessment and update the comprehensive assessment as clinically necessary to ensure
174.15 compliance with this subdivision within applicable timelines. An alcohol and drug counselor
174.16 must sign and date the comprehensive assessment review and update.

174.17 Sec. 15. Minnesota Statutes 2024, section 245G.06, subdivision 1, is amended to read:

174.18 Subdivision 1. **General.** Each client must have a person-centered individual treatment
174.19 plan developed by an alcohol and drug counselor within ten days from the day of service
174.20 initiation for a residential program, by the end of the tenth day on which a treatment session
174.21 has been provided from the day of service initiation for a client in a nonresidential program,
174.22 not to exceed 30 days. Opioid treatment programs must complete the individual treatment
174.23 plan within ~~21~~ 14 days from the day of service initiation. The number of days to complete
174.24 the individual treatment plan excludes the day of service initiation. The individual treatment
174.25 plan must be signed by the client and the alcohol and drug counselor and document the
174.26 client's involvement in the development of the plan. The individual treatment plan is
174.27 developed upon the qualified staff member's dated signature. Treatment planning must
174.28 include ongoing assessment of client needs. An individual treatment plan must be updated
174.29 based on new information gathered about the client's condition, the client's level of
174.30 participation, and on whether methods identified have the intended effect. A change to the
174.31 plan must be signed by the client and the alcohol and drug counselor. If the client chooses
174.32 to have family or others involved in treatment services, the client's individual treatment plan
174.33 must include how the family or others will be involved in the client's treatment. If a client
174.34 is receiving treatment services or an assessment via telehealth and the alcohol and drug

175.1 counselor documents the reason the client's signature cannot be obtained, the alcohol and
175.2 drug counselor may document the client's verbal approval or electronic written approval of
175.3 the treatment plan or change to the treatment plan in lieu of the client's signature.

175.4 Sec. 16. Minnesota Statutes 2024, section 245G.06, subdivision 2a, is amended to read:

175.5 Subd. 2a. **Documentation of treatment services.** The license holder must ensure that
175.6 the staff member who provides the treatment service documents in the client record the
175.7 date, type, and amount of each treatment service provided to a client and the client's response
175.8 to each treatment service within seven days of providing the treatment service. In addition
175.9 to the other requirements of this subdivision, if a guest speaker presents information during
175.10 a treatment service, the alcohol and drug counselor who provided the service and is
175.11 responsible for the information presented by the guest speaker must document the name of
175.12 the guest speaker, date of service, time the presentation began, time the presentation ended,
175.13 and a summary of the topic presentation.

175.14 Sec. 17. Minnesota Statutes 2024, section 245G.06, subdivision 3a, is amended to read:

175.15 Subd. 3a. **Frequency of treatment plan reviews.** (a) A license holder must ensure that
175.16 the alcohol and drug counselor responsible for a client's treatment plan completes and
175.17 documents a treatment plan review that meets the requirements of subdivision 3 in each
175.18 client's file, according to the frequencies required in this subdivision. All ASAM levels
175.19 referred to in this chapter are those described in section 254B.19, subdivision 1.

175.20 (b) For a client receiving residential ASAM level 3.3 or 3.5 high-intensity services or
175.21 residential hospital-based services, a treatment plan review must be completed once every
175.22 14 days.

175.23 (c) For a client receiving residential ASAM level 3.1 low-intensity services or any other
175.24 residential level not listed in paragraph (b), a treatment plan review must be completed once
175.25 every 30 days.

175.26 (d) For a client receiving nonresidential ASAM level 2.5 partial hospitalization services,
175.27 a treatment plan review must be completed once every 14 days.

175.28 (e) For a client receiving nonresidential ASAM level 1.0 outpatient or 2.1 intensive
175.29 outpatient services or any other nonresidential level not included in paragraph (d), a treatment
175.30 plan review must be completed once every 30 days.

175.31 (f) For a client receiving nonresidential opioid treatment program services according to
175.32 section 245G.22, a treatment plan review must be completed:

176.1 (1) weekly for the ten weeks following completion of the treatment plan; and

176.2 (2) monthly thereafter.

176.3 Treatment plan reviews must be completed more frequently when clinical needs warrant.

176.4 (g) The ten-week time frame in paragraph (f), clause (1), may include a client's previous
176.5 time at another opioid treatment program licensed in Minnesota under section 245G.22 if:

176.6 (1) the client was enrolled in the other opioid treatment program immediately prior to
176.7 admission to the license holder's program;

176.8 (2) the client did not miss taking a daily dose of medication to treat an opioid use disorder;
176.9 and

176.10 (3) the license holder obtains from the previous opioid treatment program the client's
176.11 number of days in comprehensive treatment, discharge summary, amount of daily milligram
176.12 dose of medication for opioid use disorder, and previous three drug abuse test results.

176.13 ~~(g)~~ (h) Notwithstanding paragraphs (e) and (f), clause (2), for a client in a nonresidential
176.14 program with a treatment plan that clearly indicates less than five hours of skilled treatment
176.15 services will be provided to the client each month, a treatment plan review must be completed
176.16 once every 90 days. Treatment plan reviews must be completed more frequently when
176.17 clinical needs warrant.

176.18 Sec. 18. Minnesota Statutes 2024, section 245G.07, subdivision 2, is amended to read:

176.19 Subd. 2. **Additional treatment service.** A license holder may provide or arrange the
176.20 following additional treatment service as a part of the client's individual treatment plan:

176.21 (1) relationship counseling provided by a qualified professional to help the client identify
176.22 the impact of the client's substance use disorder on others and to help the client and persons
176.23 in the client's support structure identify and change behaviors that contribute to the client's
176.24 substance use disorder;

176.25 (2) therapeutic recreation to allow the client to participate in recreational activities
176.26 without the use of mood-altering chemicals and to plan and select leisure activities that do
176.27 not involve the inappropriate use of chemicals;

176.28 (3) stress management and physical well-being to help the client reach and maintain an
176.29 appropriate level of health, physical fitness, and well-being;

176.30 (4) living skills development to help the client learn basic skills necessary for independent
176.31 living;

177.1 (5) employment or educational services to help the client become financially independent;

177.2 (6) socialization skills development to help the client live and interact with others in a
177.3 positive and productive manner;

177.4 (7) room, board, and supervision at the treatment site to provide the client with a safe
177.5 and appropriate environment to gain and practice new skills; and

177.6 (8) peer recovery support services must be provided one-to-one and face-to-face, by a
177.7 recovery peer ~~qualified~~ according to section 245I.04, subdivision 18. Peer recovery support
177.8 services must be provided according to sections 254B.05, subdivision 5, and 254B.052, and
177.9 may be provided through telehealth according to section 256B.0625, subdivision 3b.

177.10 Sec. 19. Minnesota Statutes 2024, section 245G.08, subdivision 6, is amended to read:

177.11 Subd. 6. **Control of drugs.** A license holder must have and implement written policies
177.12 and procedures developed by a registered nurse that contain:

177.13 (1) a requirement that each drug must be stored in a locked compartment. A Schedule
177.14 II drug, as defined by section 152.02, subdivision 3, must be stored in a separately locked
177.15 compartment, permanently affixed to the physical plant or medication cart;

177.16 (2) a documentation system which that accounts for all ~~scheduled drugs each shift~~
177.17 schedule II to V drugs listed in section 152.02, subdivisions 3 to 6;

177.18 (3) a procedure for recording the client's use of medication, including the signature of
177.19 the staff member who completed the administration of the medication with the time and
177.20 date;

177.21 (4) a procedure to destroy a discontinued, outdated, or deteriorated medication;

177.22 (5) a statement that only authorized personnel are permitted access to the keys to a locked
177.23 compartment;

177.24 (6) a statement that no legend drug supply for one client shall be given to another client;
177.25 and

177.26 (7) a procedure for monitoring the available supply of an opiate antagonist as defined
177.27 in section 604A.04, subdivision 1, on site and replenishing the supply when needed.

177.28 Sec. 20. Minnesota Statutes 2024, section 245G.09, subdivision 3, is amended to read:

177.29 Subd. 3. **Contents.** (a) Client records must contain the following:

177.30 (1) documentation that the client was given:

178.1 (i) information on client rights and responsibilities; and grievance procedures, on the
178.2 day of service initiation;

178.3 (ii) information on tuberculosis, and HIV, and that the client was provided within 72
178.4 hours of service initiation;

178.5 (iii) an orientation to the program abuse prevention plan required under section 245A.65,
178.6 subdivision 2, paragraph (a), clause (4). ~~If the client has an opioid use disorder, the record~~
178.7 ~~must contain documentation that the client was provided, within 24 hours of admission or,~~
178.8 for clients who would benefit from a later orientation, 72 hours; and

178.9 (iv) opioid educational information material according to section 245G.04, subdivision
178.10 3, on the day of service initiation;

178.11 (2) an initial services plan completed according to section 245G.04;

178.12 (3) a comprehensive assessment completed according to section 245G.05;

178.13 (4) an individual abuse prevention plan according to sections 245A.65, subdivision 2,
178.14 and 626.557, subdivision 14, when applicable;

178.15 (5) an individual treatment plan according to section 245G.06, subdivisions 1 and 1a;

178.16 (6) documentation of treatment services, significant events, appointments, concerns, and
178.17 treatment plan reviews according to section 245G.06, subdivisions 2a, 2b, 3, and 3a; and

178.18 (7) a summary at the time of service termination according to section 245G.06,
178.19 subdivision 4.

178.20 (b) For a client that transfers to another of the license holder's licensed treatment locations,
178.21 the license holder is not required to complete new documents or orientation for the client,
178.22 except that the client must receive an orientation to the new location's grievance procedure,
178.23 program abuse prevention plan, and maltreatment of minor and vulnerable adults reporting
178.24 procedures.

178.25 Sec. 21. Minnesota Statutes 2024, section 245G.11, subdivision 11, is amended to read:

178.26 Subd. 11. **Individuals with temporary permit.** An individual with a temporary permit
178.27 from the Board of Behavioral Health and Therapy may provide substance use disorder
178.28 treatment ~~service~~ services and complete comprehensive assessments, individual treatment
178.29 plans, treatment plan reviews, and service discharge summaries according to this subdivision
178.30 if they meet the requirements of either paragraph (a) or (b).

179.1 (a) An individual with a temporary permit must be supervised by a licensed alcohol and
 179.2 drug counselor assigned by the license holder. The supervising licensed alcohol and drug
 179.3 counselor must document the amount and type of supervision provided at least on a weekly
 179.4 basis. The supervision must relate to the clinical practice.

179.5 (b) An individual with a temporary permit must be supervised by a clinical supervisor
 179.6 approved by the Board of Behavioral Health and Therapy. The supervision must be
 179.7 documented and meet the requirements of section 148F.04, subdivision 4.

179.8 Sec. 22. Minnesota Statutes 2024, section 245G.18, subdivision 2, is amended to read:

179.9 Subd. 2. **Alcohol and drug counselor qualifications.** In addition to the requirements
 179.10 specified in section 245G.11, subdivisions 1 and 5, an alcohol and drug counselor providing
 179.11 treatment service to an adolescent must have:

179.12 ~~(1) an additional 30 hours of training or classroom instruction or one three-credit semester~~
 179.13 ~~college course in adolescent development. This The training, classroom instruction, or~~
 179.14 ~~college course must be completed no later than six months after the counselor first provides~~
 179.15 ~~treatment services to adolescents and need only be completed one time; and. The training~~
 179.16 ~~must be interactive and must not consist only of reading information. An alcohol and drug~~
 179.17 ~~counselor who is also qualified as a mental health professional under section 245I.04,~~
 179.18 ~~subdivision 2, is exempt from the requirement in this subdivision.~~

179.19 ~~(2) at least 150 hours of supervised experience as an adolescent counselor, either as a~~
 179.20 ~~student or as a staff member.~~

179.21 Sec. 23. Minnesota Statutes 2024, section 245G.19, subdivision 4, is amended to read:

179.22 Subd. 4. **Additional licensing requirements.** During the times the license holder is
 179.23 responsible for the supervision of a child, except for license holders described in subdivision
 179.24 5, the license holder must meet the following standards:

179.25 (1) child and adult ratios in Minnesota Rules, part 9502.0367;

179.26 (2) day care training in section 142B.70;

179.27 (3) behavior guidance in Minnesota Rules, part 9502.0395;

179.28 (4) activities and equipment in Minnesota Rules, part 9502.0415;

179.29 (5) physical environment in Minnesota Rules, part 9502.0425;

179.30 (6) physical space requirements in section 142B.72; and

180.1 (7) water, food, and nutrition in Minnesota Rules, part 9502.0445, unless the license
180.2 holder has a license from the Department of Health.

180.3 Sec. 24. Minnesota Statutes 2024, section 245G.19, is amended by adding a subdivision
180.4 to read:

180.5 Subd. 5. **Child care license exemption.** (a) License holders that only provide supervision
180.6 of children for less than three hours a day while the child's parent is in the same building
180.7 or contiguous building as allowed by the exclusion from licensure in section 245A.03,
180.8 subdivision 2, paragraph (a), clause (6), are exempt from the requirements of subdivision
180.9 4 if the requirements of this subdivision are met.

180.10 (b) During the times the license holder is responsible for the supervision of the child,
180.11 there must always be a staff member present who is responsible for supervising the child
180.12 who is trained in cardiopulmonary resuscitation (CPR) and first aid. This staff person must
180.13 be able to immediately contact the child's parent at all times.

180.14 Sec. 25. Minnesota Statutes 2024, section 245G.22, subdivision 1, is amended to read:

180.15 Subdivision 1. **Additional requirements.** (a) An opioid treatment program licensed
180.16 under this chapter must also: (1) comply with the requirements of this section and Code of
180.17 Federal Regulations, title 42, part 8; (2) be registered as a narcotic treatment program with
180.18 the Drug Enforcement Administration; (3) be accredited through an accreditation body
180.19 approved by the Division of Pharmacologic Therapy of the Center for Substance Abuse
180.20 Treatment; (4) be certified through the Division of Pharmacologic Therapy of the Center
180.21 for Substance Abuse Treatment; and (5) hold a license from the Minnesota Board of
180.22 Pharmacy or equivalent agency meet the requirements for dispensing by a practitioner in
180.23 section 151.37, subdivision 2, and Minnesota Rules, parts 6800.9950 to 6800.9954.

180.24 (b) A license holder operating under the dispensing by practitioner requirements in
180.25 section 151.37, subdivision 2, and Minnesota Rules, parts 6800.9950 to 6800.9954, must
180.26 maintain documentation that the practitioner responsible for complying with the above
180.27 statute and rules has signed a statement attesting that they are the practitioner responsible
180.28 for complying with the applicable statutes and rules. If more than one person is responsible
180.29 for compliance, all practitioners must sign a statement.

180.30 ~~(b)~~ (c) Where a standard in this section differs from a standard in an otherwise applicable
180.31 administrative rule or statute, the standard of this section applies.

181.1 Sec. 26. Minnesota Statutes 2024, section 245G.22, subdivision 14, is amended to read:

181.2 Subd. 14. **Central registry.** ~~(a)~~ A license holder must comply with requirements to
 181.3 submit information and necessary consents to the state central registry for each client
 181.4 admitted, as specified by the commissioner. The license holder must submit data concerning
 181.5 medication used for the treatment of opioid use disorder. The data must be submitted in a
 181.6 method determined by the commissioner and the original information must be kept in the
 181.7 client's record. The information must be submitted for each client at admission and discharge.
 181.8 The program must document the date the information was submitted. The client's failure to
 181.9 provide the information shall prohibit participation in an opioid treatment program. The
 181.10 information submitted must include the client's:

181.11 (1) full name and all aliases;

181.12 (2) date of admission;

181.13 (3) date of birth;

181.14 (4) Social Security number or Alien Registration Number, if any; and

181.15 (5) current or previous enrollment status in another opioid treatment program;

181.16 ~~(6) government-issued photo identification card number; and~~

181.17 ~~(7) driver's license number, if any.~~

181.18 ~~(b) The requirements in paragraph (a) are effective upon the commissioner's~~
 181.19 ~~implementation of changes to the drug and alcohol abuse normative evaluation system or~~
 181.20 ~~development of an electronic system by which to submit the data.~~

181.21 Sec. 27. Minnesota Statutes 2024, section 245G.22, subdivision 15, is amended to read:

181.22 Subd. 15. **Nonmedication treatment services; documentation.** (a) The program must
 181.23 offer at least 50 consecutive minutes of individual or group therapy treatment services as
 181.24 defined in section 245G.07, subdivision 1, paragraph (a), clause (1), per week, for the first
 181.25 ten weeks following the day of service initiation, and at least 50 consecutive minutes per
 181.26 month thereafter. As clinically appropriate, the program may offer these services cumulatively
 181.27 and not consecutively in increments of no less than 15 minutes over the required time period,
 181.28 and for a total of 60 minutes of treatment services over the time period, and must document
 181.29 the reason for providing services cumulatively in the client's record. The program may offer
 181.30 additional levels of service when deemed clinically necessary.

181.31 (b) The ten-week time frame may include a client's previous time at another opioid
 181.32 treatment program licensed in Minnesota under this section if:

182.1 (1) the client was enrolled in the other opioid treatment program immediately prior to
 182.2 admission to the license holder's program;

182.3 (2) the client did not miss taking a daily dose of medication to treat an opioid use disorder;
 182.4 and

182.5 (3) the license holder obtains from the previous opioid treatment program the client's
 182.6 number of days in comprehensive maintenance treatment, discharge summary, amount of
 182.7 daily milligram dose of medication for opioid use disorder, and previous three drug abuse
 182.8 test results.

182.9 ~~(b)~~ (c) Notwithstanding the requirements of comprehensive assessments in section
 182.10 245G.05, the assessment must be completed within 21 days from the day of service initiation.

182.11 Sec. 28. Minnesota Statutes 2024, section 256.98, subdivision 1, is amended to read:

182.12 Subdivision 1. **Wrongfully obtaining assistance.** (a) A person who commits any of the
 182.13 following acts or omissions with intent to defeat the purposes of sections 145.891 to 145.897,
 182.14 the MFIP program formerly codified in sections 256.031 to 256.0361, the AFDC program
 182.15 formerly codified in sections 256.72 to 256.871, chapter 142G, 256B, 256D, 256I, 256K,
 182.16 or 256L, child care assistance programs, and emergency assistance programs under section
 182.17 256D.06, is guilty of theft and shall be sentenced under section 609.52, subdivision 3, clauses
 182.18 (1) to (5):

182.19 (1) obtains or attempts to obtain, or aids or abets any person to obtain by means of a
 182.20 willfully false statement or representation, by intentional concealment of any material fact,
 182.21 or by impersonation or other fraudulent device, assistance or the continued receipt of
 182.22 assistance, to include child care assistance or food benefits produced according to sections
 182.23 145.891 to 145.897 and MinnesotaCare services according to sections 256.9365, 256.94,
 182.24 and 256L.01 to 256L.15, to which the person is not entitled or assistance greater than that
 182.25 to which the person is entitled;

182.26 (2) knowingly aids or abets in buying or in any way disposing of the property of a
 182.27 recipient or applicant of assistance without the consent of the county agency; or

182.28 (3) obtains or attempts to obtain, alone or in collusion with others, the receipt of payments
 182.29 to which the individual is not entitled as a provider of subsidized child care, ~~or;~~ by furnishing
 182.30 or concurring in offering, providing, soliciting, or receiving illegal remuneration as described
 182.31 in section 142E.51, subdivision 6a, or in violation of section 609.542, subdivision 2; or by
 182.32 submitting or aiding and abetting the submission of a willfully false claim for child care
 182.33 assistance.

183.1 (b) The continued receipt of assistance to which the person is not entitled or greater than
183.2 that to which the person is entitled as a result of any of the acts, failure to act, or concealment
183.3 described in this subdivision shall be deemed to be continuing offenses from the date that
183.4 the first act or failure to act occurred.

183.5 Sec. 29. Minnesota Statutes 2024, section 256B.064, subdivision 1a, is amended to read:

183.6 Subd. 1a. **Grounds for sanctions.** (a) The commissioner may impose sanctions against
183.7 any individual or entity that receives payments from medical assistance or provides goods
183.8 or services for which payment is made from medical assistance for any of the following:

183.9 (1) fraud, theft, or abuse in connection with the provision of goods and services to
183.10 recipients of public assistance for which payment is made from medical assistance;

183.11 (2) a pattern of presentment of false or duplicate claims or claims for services not
183.12 medically necessary;

183.13 (3) a pattern of making false statements of material facts for the purpose of obtaining
183.14 greater compensation than that to which the individual or entity is legally entitled;

183.15 (4) suspension or termination as a Medicare vendor;

183.16 (5) refusal to grant the state agency access during regular business hours to examine all
183.17 records necessary to disclose the extent of services provided to program recipients and
183.18 appropriateness of claims for payment;

183.19 (6) failure to repay an overpayment or a fine finally established under this section;

183.20 (7) failure to correct errors in the maintenance of health service or financial records for
183.21 which a fine was imposed or after issuance of a warning by the commissioner; and

183.22 (8) any reason for which an individual or entity could be excluded from participation in
183.23 the Medicare program under section 1128, 1128A, or 1866(b)(2) of the Social Security Act.

183.24 (b) For the purposes of this section, goods or services for which payment is made from
183.25 medical assistance includes but is not limited to care and services identified in section
183.26 256B.0625 or provided pursuant to any federally approved waiver.

183.27 (c) Regardless of the source of payment or other item of value, the commissioner may
183.28 impose sanctions against any individual or entity that solicits, receives, pays, or offers to
183.29 pay any illegal remuneration as described in section 142E.51, subdivision 6a, in violation
183.30 of section 609.542, subdivision 2, or in violation of United States Code, title 42, section
183.31 1320a-7b(b)(1) or (2). No conviction is required before the commissioner can impose
183.32 sanctions under this paragraph.

184.1 ~~(b)~~ (d) The commissioner may impose sanctions against a pharmacy provider for failure
 184.2 to respond to a cost of dispensing survey under section 256B.0625, subdivision 13e,
 184.3 paragraph (h).

184.4 Sec. 30. Minnesota Statutes 2024, section 256I.04, subdivision 2c, is amended to read:

184.5 Subd. 2c. **Background study requirements.** (a) ~~Effective July 1, 2016,~~ A provider of
 184.6 housing support must initiate background studies in accordance with ~~chapter 245C of the~~
 184.7 ~~following individuals:~~ section 245C.03, subdivision 10.

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

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

184.10 ~~(3) all employees and volunteers of the establishment who have direct contact with~~
 184.11 ~~recipients, or who have unsupervised access to recipients, their personal property, or their~~
 184.12 ~~private data.~~

184.13 ~~(b) The provider of housing support must maintain compliance with all requirements~~
 184.14 ~~established for entities initiating background studies under chapter 245C~~ A provider initiating
 184.15 a background study pursuant to chapter 245C is not required to initiate a background study
 184.16 in accordance with sections 299C.66 to 299C.71 or chapter 364.

184.17 ~~(c) Effective July 1, 2017, a provider of housing support must demonstrate that all~~
 184.18 ~~individuals required to have a background study according to paragraph (a) have a notice~~
 184.19 ~~stating either that:~~

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

184.21 ~~(2) the individual is disqualified, but the individual has been issued a set-aside of the~~
 184.22 ~~disqualification for that setting under section 245C.22.~~

184.23 Sec. 31. Minnesota Statutes 2024, section 480.40, subdivision 1, is amended to read:

184.24 Subdivision 1. **Definitions.** (a) For purposes of this section and section 480.45, the
 184.25 following terms have the meanings given.

184.26 (b) "Judicial official" means:

184.27 (1) every Minnesota district court judge, senior judge, retired judge, and every judge of
 184.28 the Minnesota Court of Appeals and every active, senior, recalled, or retired federal judge
 184.29 who resides in Minnesota;

184.30 (2) a justice of the Minnesota Supreme Court;

185.1 (3) employees of the Minnesota judicial branch;

185.2 (4) judicial referees and magistrate judges; and

185.3 (5) current and retired judges and current employees of the Office of Administrative

185.4 Hearings, Department of Human Services Appeals Division, Workers' Compensation Court

185.5 of Appeals, and Tax Court.

185.6 (c) "Personal information" does not include publicly available information. Personal
185.7 information means:

185.8 (1) a residential address of a judicial official;

185.9 (2) a residential address of the spouse, domestic partner, or children of a judicial official;

185.10 (3) a nonjudicial branch issued telephone number or email address of a judicial official;

185.11 (4) the name of any child of a judicial official; and

185.12 (5) the name of any child care facility or school that is attended by a child of a judicial

185.13 official if combined with an assertion that the named facility or school is attended by the

185.14 child of a judicial official.

185.15 (d) "Publicly available information" means information that is lawfully made available
185.16 through federal, state, or local government records or information that a business has a
185.17 reasonable basis to believe is lawfully made available to the general public through widely
185.18 distributed media, by a judicial official, or by a person to whom the judicial official has
185.19 disclosed the information, unless the judicial official has restricted the information to a
185.20 specific audience.

185.21 (e) "Law enforcement support organizations" do not include charitable organizations.

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

185.23 Sec. 32. **[609.542] ILLEGAL REMUNERATIONS.**

185.24 **Subdivision 1. Definition.** For purposes of this section, "federal health care program"
185.25 has the meaning given in United States Code, title 42, section 1320a-7b(f).

185.26 **Subd. 2. Human services program; unauthorized remuneration.** (a) A person who
185.27 intentionally solicits or receives money, a discount, a credit, a waiver, a rebate, a good, a
185.28 service, employment, or anything else of value in return for doing any of the following is
185.29 guilty of a crime and may be sentenced as provided in subdivision 4:

185.30 (1) referring an individual to a person for the furnishing or arranging for the furnishing
185.31 of any item or service for which payment may be made in whole or in part under a federal

186.1 health care program, behavioral health program under chapter 254B, or program under
186.2 chapter 142E;

186.3 (2) purchasing, leasing, ordering, or arranging for or recommending purchasing, leasing,
186.4 or ordering any good, facility, service, or item for which payment may be made in whole
186.5 or in part under a federal health care program, behavioral health program under chapter
186.6 254B, or program under chapter 142E; or

186.7 (3) applying for or receiving any item or service for which payment may be made in
186.8 whole or in part under a federal health care program, behavioral health program under
186.9 chapter 254B, or program under chapter 142E.

186.10 (b) A person who intentionally offers or provides money, a discount, a credit, a waiver,
186.11 a rebate, a good, a service, employment, or anything else of value to induce a person to do
186.12 any of the following is guilty of a crime and may be sentenced as provided in subdivision
186.13 4:

186.14 (1) refer an individual to a person for the furnishing or arranging for the furnishing of
186.15 any item or service for which payment may be made in whole or in part under a federal
186.16 health care program, behavioral health program under chapter 254B, or program under
186.17 chapter 142E;

186.18 (2) purchase, lease, order, or arrange for or recommend purchasing, leasing, or ordering
186.19 any good, facility, service, or item for which payment may be made in whole or in part
186.20 under a federal health care program, behavioral health program under chapter 254B, or
186.21 program under chapter 142E; or

186.22 (3) apply for or receive any item or service for which payment may be made in whole
186.23 or in part under a federal health care program, behavioral health program under chapter
186.24 254B, or program under chapter 142E.

186.25 Subd. 3. **Exceptions.** (a) Subdivision 2 does not apply to any payment, discount, waiver,
186.26 or other remuneration exempted under United States Code, title 42, section 1320a-7b(b)(3),
186.27 or payment made under a federal health care program that is exempt from liability by United
186.28 States Code, title 42, section 1001.952.

186.29 (b) For actions involving a program under chapter 142E, subdivision 2 does not apply
186.30 to:

186.31 (1) any amount paid by an employer to a bona fide employee for providing covered
186.32 items or services under chapter 142E while acting in the course and scope of employment;
186.33 or

187.1 (2) child care provider discounts, scholarships, or other financial assistance to families
187.2 allowed under section 142E.17, subdivision 7.

187.3 Subd. 4. Penalties. An individual who violates subdivision 2 may be sentenced as
187.4 follows:

187.5 (1) imprisonment of not more than 20 years or payment of a fine of not more than
187.6 \$100,000, or both, if the value of any money, discount, credit, waiver, rebate, good, service,
187.7 employment, or other thing of value solicited, received, offered, or provided exceeds \$35,000;

187.8 (2) imprisonment of not more than ten years or payment of a fine of not more than
187.9 \$20,000, or both, if the value of any money, discount, credit, waiver, rebate, good, service,
187.10 employment, or other item of value solicited, received, offered, or provided is more than
187.11 \$5,000 but not more than \$35,000; or

187.12 (3) imprisonment for not more than five years or payment of a fine of not more than
187.13 \$10,000, or both, if the value of any money, discount, credit, waiver, rebate, good, service,
187.14 employment, or other item of value solicited, received, offered, or provided is not more
187.15 than \$5,000.

187.16 Subd. 5. Aggregation. In a prosecution under this section, the value of any money,
187.17 discount, credit, waiver, rebate, good, service, employment, or other item of value solicited,
187.18 received, offered, or provided within a six-month period may be aggregated and the defendant
187.19 charged accordingly. When two or more offenses are committed by the same person in two
187.20 or more counties, the accused may be prosecuted in any county in which one of the offenses
187.21 was committed for all of the offenses aggregated under this subdivision.

187.22 Subd. 6. False claims. In addition to the penalties provided in this section, a claim, as
187.23 defined in section 15C.01, subdivision 2, that includes items or services resulting from a
187.24 violation of this section constitutes a false or fraudulent claim for purposes of section 15C.02.

187.25 EFFECTIVE DATE. This section is effective August 1, 2025, and applies to crimes
187.26 committed on or after that date.

187.27 Sec. 33. Laws 2023, chapter 70, article 7, section 34, the effective date, is amended to
187.28 read:

187.29 EFFECTIVE DATE. This section is effective for background studies requested on or
187.30 after August 1, 2024 the day following final enactment.

188.1 Sec. 34. **MODIFICATION OF DEFINITIONS.**

188.2 (a) For the purposes of implementing the provider licensing and reporting hub, the
 188.3 commissioner of human services may modify definitions in Minnesota Statutes, chapters
 188.4 142B, 245A, 245D, 245F, 245G, and 245I, and Minnesota Rules, chapters 2960, 9502,
 188.5 9520, 9530, 9543, 9555, and 9570. Definitions changed pursuant to this section do not affect
 188.6 the rights, responsibilities, or duties of the commissioner; the Department of Human Services;
 188.7 programs administered, licensed, certified, or funded by the commissioner; or the programs'
 188.8 employees or clients.

188.9 (b) Notwithstanding Laws 1995, chapter 226, article 3, sections 50, 51, and 60, or any
 188.10 other law to the contrary, the joint rulemaking authority with the commissioner of corrections
 188.11 under Minnesota Rules, chapter 2960, does not apply to rule amendments applicable only
 188.12 to the Department of Human Services. A rule that is amending jointly administered rule
 188.13 parts must be related to requirements on the provider licensing and reporting hub.

188.14 (c) This section expires August 31, 2028.

188.15 Sec. 35. **REPEALER.**

188.16 (a) Minnesota Statutes 2024, section 245A.11, subdivision 8, is repealed.

188.17 (b) Minnesota Statutes 2024, section 245A.042, subdivisions 2, 3, and 4, are repealed.

188.18 **EFFECTIVE DATE.** Paragraph (a) is effective August 1, 2025.

188.19 **ARTICLE 6**

188.20 **ASSERTIVE COMMUNITY TREATMENT AND INTENSIVE RESIDENTIAL**
 188.21 **TREATMENT SERVICES RECODIFICATION**

188.22 Section 1. Minnesota Statutes 2024, section 256B.0622, subdivision 1, is amended to read:

188.23 Subdivision 1. **Scope.** (a) Subject to federal approval, medical assistance covers medically
 188.24 necessary, assertive community treatment when the services are provided by an entity
 188.25 certified under and meeting the standards in this section.

188.26 ~~(b) Subject to federal approval, medical assistance covers medically necessary, intensive~~
 188.27 ~~residential treatment services when the services are provided by an entity licensed under~~
 188.28 ~~and meeting the standards in section 245I.23.~~

188.29 ~~(e)~~ (b) The provider entity must make reasonable and good faith efforts to report
 188.30 individual client outcomes to the commissioner, using instruments and protocols approved
 188.31 by the commissioner.

189.1 Sec. 2. Minnesota Statutes 2024, section 256B.0622, subdivision 8, is amended to read:

189.2 Subd. 8. **Medical assistance payment for assertive community treatment and**
 189.3 **intensive residential treatment services.** (a) Payment for ~~intensive residential treatment~~
 189.4 ~~services and~~ assertive community treatment in this section shall be based on one daily rate
 189.5 per provider inclusive of the following services received by an eligible client in a given
 189.6 calendar day: all rehabilitative services under this section, staff travel time to provide
 189.7 rehabilitative services under this section, and nonresidential crisis stabilization services
 189.8 under section 256B.0624.

189.9 (b) Except as indicated in paragraph ~~(d)~~ (c), payment will not be made to more than one
 189.10 entity for each client for services provided under this section on a given day. If services
 189.11 under this section are provided by a team that includes staff from more than one entity, the
 189.12 team must determine how to distribute the payment among the members.

189.13 ~~(e) Payment must not be made based solely on a court order to participate in intensive~~
 189.14 ~~residential treatment services. If a client has a court order to participate in the program or~~
 189.15 ~~to obtain assessment for treatment and follow treatment recommendations, payment under~~
 189.16 ~~this section must only be provided if the client is eligible for the service and the service is~~
 189.17 ~~determined to be medically necessary.~~

189.18 ~~(d)~~ (c) The commissioner shall determine ~~one rate for each provider that will bill medical~~
 189.19 ~~assistance for residential services under this section and~~ one rate for each assertive community
 189.20 treatment provider under this section. If a single entity provides both ~~services~~ intensive
 189.21 residential treatment services under section 256B.0632 and assertive community treatment
 189.22 under this section, one rate is established for the entity's intensive residential treatment
 189.23 services under section 256B.0632 and another rate for the entity's ~~nonresidential~~ assertive
 189.24 community treatment services under this section. A provider is not eligible for payment
 189.25 under this section without authorization from the commissioner. The commissioner shall
 189.26 develop rates using the following criteria:

189.27 (1) the provider's cost for services shall include direct services costs, other program
 189.28 costs, and other costs determined as follows:

189.29 (i) the direct services costs must be determined using actual costs of salaries, benefits,
 189.30 payroll taxes, and training of direct service staff and service-related transportation;

189.31 (ii) other program costs not included in item (i) must be determined as a specified
 189.32 percentage of the direct services costs as determined by item (i). The percentage used shall
 189.33 be determined by the commissioner based upon the average of percentages that represent

190.1 the relationship of other program costs to direct services costs among the entities that provide
190.2 similar services;

190.3 (iii) physical plant costs calculated based on the percentage of space within the program
190.4 that is entirely devoted to treatment and programming. This does not include administrative
190.5 or residential space;

190.6 (iv) assertive community treatment physical plant costs must be reimbursed as part of
190.7 the costs described in item (ii); and

190.8 (v) subject to federal approval, up to an additional five percent of the total rate may be
190.9 added to the program rate as a quality incentive based upon the entity meeting performance
190.10 criteria specified by the commissioner;

190.11 (2) ~~actual cost~~ is costs are defined as costs which are allowable, allocable, and reasonable,
190.12 and consistent with federal reimbursement requirements under Code of Federal Regulations,
190.13 title 48, chapter 1, part 31, relating to for-profit entities, and Office of Management and
190.14 Budget Circular Number A-122, relating to nonprofit entities;

190.15 (3) the number of service units;

190.16 (4) the degree to which clients will receive services other than services under this section
190.17 or section 256B.0632; and

190.18 (5) the costs of other services that will be separately reimbursed.

190.19 ~~(e)~~ (d) The rate for ~~intensive residential treatment services~~ and assertive community
190.20 treatment must exclude the medical assistance room and board rate, as defined in section
190.21 256B.056, subdivision 5d, and services not covered under this section, such as partial
190.22 hospitalization, home care, and inpatient services.

190.23 ~~(f) Physician services that are not separately billed may be included in the rate to the~~
190.24 ~~extent that a psychiatrist, or other health care professional providing physician services~~
190.25 ~~within their scope of practice, is a member of the intensive residential treatment services~~
190.26 ~~treatment team. Physician services, whether billed separately or included in the rate, may~~
190.27 ~~be delivered by telehealth. For purposes of this paragraph, "telehealth" has the meaning~~
190.28 ~~given to "mental health telehealth" in section 256B.0625, subdivision 46, when telehealth~~
190.29 ~~is used to provide intensive residential treatment services.~~

190.30 ~~(g)~~ (e) When services under this section are provided by an assertive community treatment
190.31 provider, case management functions must be an integral part of the team.

191.1 ~~(h)~~ (f) The rate for a provider must not exceed the rate charged by that provider for the
191.2 same service to other payors.

191.3 ~~(i)~~ (g) The rates for existing programs must be established prospectively based upon the
191.4 expenditures and utilization over a prior 12-month period using the criteria established in
191.5 paragraph ~~(d)~~ (c). The rates for new programs must be established based upon estimated
191.6 expenditures and estimated utilization using the criteria established in paragraph ~~(d)~~ (c).

191.7 ~~(j)~~ (h) Effective for the rate years beginning on and after January 1, 2024, rates for
191.8 assertive community treatment, adult residential crisis stabilization services, and intensive
191.9 residential treatment services must be annually adjusted for inflation using the Centers for
191.10 Medicare and Medicaid Services Medicare Economic Index, as forecasted in the third quarter
191.11 of the calendar year before the rate year. The inflation adjustment must be based on the
191.12 12-month period from the midpoint of the previous rate year to the midpoint of the rate year
191.13 for which the rate is being determined. This paragraph expires upon federal approval.

191.14 (i) Effective upon the expiration of paragraph (h), and effective for the rate years
191.15 beginning on and after January 1, 2024, rates for assertive community treatment services
191.16 must be annually adjusted for inflation using the Centers for Medicare and Medicaid Services
191.17 Medicare Economic Index, as forecasted in the third quarter of the calendar year before the
191.18 rate year. The inflation adjustment must be based on the 12-month period from the midpoint
191.19 of the previous rate year to the midpoint of the rate year for which the rate is being
191.20 determined.

191.21 ~~(k)~~ (j) Entities who discontinue providing services must be subject to a settle-up process
191.22 whereby actual costs and reimbursement for the previous 12 months are compared. In the
191.23 event that the entity was paid more than the entity's actual costs plus any applicable
191.24 performance-related funding due the provider, the excess payment must be reimbursed to
191.25 the department. If a provider's revenue is less than actual allowed costs due to lower
191.26 utilization than projected, the commissioner may reimburse the provider to recover its actual
191.27 allowable costs. The resulting adjustments by the commissioner must be proportional to the
191.28 percent of total units of service reimbursed by the commissioner and must reflect a difference
191.29 of greater than five percent.

191.30 ~~(l)~~ (k) A provider may request of the commissioner a review of any rate-setting decision
191.31 made under this subdivision.

192.1 Sec. 3. Minnesota Statutes 2024, section 256B.0622, subdivision 11, is amended to read:

192.2 Subd. 11. **Sustainability grants.** The commissioner may disburse grant funds directly
 192.3 to ~~intensive residential treatment services providers and~~ assertive community treatment
 192.4 providers to maintain access to these services.

192.5 Sec. 4. Minnesota Statutes 2024, section 256B.0622, subdivision 12, is amended to read:

192.6 Subd. 12. **Start-up grants.** The commissioner may, within available appropriations,
 192.7 disburse grant funding to counties, Indian tribes, or mental health service providers to
 192.8 establish additional assertive community treatment teams, ~~intensive residential treatment~~
 192.9 ~~services, or crisis residential services.~~

192.10 Sec. 5. **[256B.0632] INTENSIVE RESIDENTIAL TREATMENT SERVICES.**

192.11 **Subdivision 1. Scope.** (a) Subject to federal approval, medical assistance covers medically
 192.12 necessary, intensive residential treatment services when the services are provided by an
 192.13 entity licensed under and meeting the standards in section 245I.23.

192.14 (b) The provider entity must make reasonable and good faith efforts to report individual
 192.15 client outcomes to the commissioner, using instruments and protocols approved by the
 192.16 commissioner.

192.17 **Subd. 2. Provider entity licensure and contract requirements for intensive residential**
 192.18 **treatment services.** (a) The commissioner shall develop procedures for counties and
 192.19 providers to submit other documentation as needed to allow the commissioner to determine
 192.20 whether the standards in this section are met.

192.21 (b) A provider entity must specify in the provider entity's application what geographic
 192.22 area and populations will be served by the proposed program. A provider entity must
 192.23 document that the capacity or program specialties of existing programs are not sufficient
 192.24 to meet the service needs of the target population. A provider entity must submit evidence
 192.25 of ongoing relationships with other providers and levels of care to facilitate referrals to and
 192.26 from the proposed program.

192.27 (c) A provider entity must submit documentation that the provider entity requested a
 192.28 statement of need from each county board and Tribal authority that serves as a local mental
 192.29 health authority in the proposed service area. The statement of need must specify if the local
 192.30 mental health authority supports or does not support the need for the proposed program and
 192.31 the basis for this determination. If a local mental health authority does not respond within

193.1 60 days of the receipt of the request, the commissioner shall determine the need for the
193.2 program based on the documentation submitted by the provider entity.

193.3 Subd. 3. **Medical assistance payment for intensive residential treatment services.** (a)
193.4 Payment for intensive residential treatment services in this section shall be based on one
193.5 daily rate per provider inclusive of the following services received by an eligible client in
193.6 a given calendar day: all rehabilitative services under this section, staff travel time to provide
193.7 rehabilitative services under this section, and nonresidential crisis stabilization services
193.8 under section 256B.0624.

193.9 (b) Except as indicated in paragraph (d), payment will not be made to more than one
193.10 entity for each client for services provided under this section on a given day. If services
193.11 under this section are provided by a team that includes staff from more than one entity, the
193.12 team must determine how to distribute the payment among the members.

193.13 (c) Payment must not be made based solely on a court order to participate in intensive
193.14 residential treatment services. If a client has a court order to participate in the program or
193.15 to obtain assessment for treatment and follow treatment recommendations, payment under
193.16 this section must only be provided if the client is eligible for the service and the service is
193.17 determined to be medically necessary.

193.18 (d) The commissioner shall determine one rate for each provider that will bill medical
193.19 assistance for intensive residential treatment services under this section. If a single entity
193.20 provides both intensive residential treatment services under this section and assertive
193.21 community treatment under section 256B.0622, one rate is established for the entity's
193.22 intensive residential treatment services under this section and another rate for the entity's
193.23 assertive community treatment services under section 256B.0622. A provider is not eligible
193.24 for payment under this section without authorization from the commissioner. The
193.25 commissioner shall develop rates using the following criteria:

193.26 (1) the provider's cost for services shall include direct services costs, other program
193.27 costs, and other costs determined as follows:

193.28 (i) the direct services costs must be determined using actual costs of salaries, benefits,
193.29 payroll taxes, and training of direct service staff and service-related transportation;

193.30 (ii) other program costs not included in item (i) must be determined as a specified
193.31 percentage of the direct services costs as determined by item (i). The percentage used shall
193.32 be determined by the commissioner based upon the average of percentages that represent
193.33 the relationship of other program costs to direct services costs among the entities that provide
193.34 similar services;

194.1 (iii) physical plant costs calculated based on the percentage of space within the program
194.2 that is entirely devoted to treatment and programming. This does not include administrative
194.3 or residential space; and

194.4 (iv) subject to federal approval, up to an additional five percent of the total rate may be
194.5 added to the program rate as a quality incentive based upon the entity meeting performance
194.6 criteria specified by the commissioner;

194.7 (2) actual costs are defined as costs which are allowable, allocable, and reasonable, and
194.8 consistent with federal reimbursement requirements under Code of Federal Regulations,
194.9 title 48, chapter 1, part 31, relating to for-profit entities, and Office of Management and
194.10 Budget Circular Number A-122, relating to nonprofit entities;

194.11 (3) the number of services units;

194.12 (4) the degree to which clients will receive services other than services under this section
194.13 or section 256B.0622; and

194.14 (5) the costs of other services that will be separately reimbursed.

194.15 (e) The rate for intensive residential treatment services must exclude the medical
194.16 assistance room and board rate, as defined in section 256B.056, subdivision 5d, and services
194.17 not covered under this section, such as partial hospitalization, home care, and inpatient
194.18 services.

194.19 (f) Physician services that are not separately billed may be included in the rate to the
194.20 extent that a psychiatrist, or other health care professional providing physician services
194.21 within their scope of practice, is a member of the intensive residential treatment services
194.22 treatment team. Physician services, whether billed separately or included in the rate, may
194.23 be delivered by telehealth. For purposes of this paragraph, "telehealth" has the meaning
194.24 given to "mental health telehealth" in section 256B.0625, subdivision 46, when telehealth
194.25 is used to provide intensive residential treatment services.

194.26 (g) The rate for a provider must not exceed the rate charged by that provider for the
194.27 same service to other payors.

194.28 (h) The rates for existing programs must be established prospectively based upon the
194.29 expenditures and utilization over a prior 12-month period using the criteria established in
194.30 paragraph (d). The rates for new programs must be established based upon estimated
194.31 expenditures and estimated utilization using the criteria established in paragraph (d).

194.32 (i) Effective upon the expiration of section 256B.0622, subdivision 8, paragraph (h),
194.33 and effective for rate years beginning on and after January 1, 2024, rates for intensive

195.1 residential treatment services and adult residential crisis stabilization services must be
195.2 annually adjusted for inflation using the Centers for Medicare and Medicaid Services
195.3 Medicare Economic Index, as forecasted in the third quarter of the calendar year before the
195.4 rate year. The inflation adjustment must be based on the 12-month period from the midpoint
195.5 of the previous rate year to the midpoint of the rate year for which the rate is being
195.6 determined.

195.7 (j) Entities who discontinue providing services must be subject to a settle-up process
195.8 whereby actual costs and reimbursement for the previous 12 months are compared. In the
195.9 event that the entity was paid more than the entity's actual costs plus any applicable
195.10 performance-related funding due the provider, the excess payment must be reimbursed to
195.11 the department. If a provider's revenue is less than actual allowed costs due to lower
195.12 utilization than projected, the commissioner may reimburse the provider to recover its actual
195.13 allowable costs. The resulting adjustments by the commissioner must be proportional to the
195.14 percent of total units of service reimbursed by the commissioner and must reflect a difference
195.15 of greater than five percent.

195.16 (k) A provider may request of the commissioner a review of any rate-setting decision
195.17 made under this subdivision.

195.18 Subd. 4. **Provider enrollment; rate setting for county-operated entities.** Counties
195.19 that employ their own staff to provide services under this section shall apply directly to the
195.20 commissioner for enrollment and rate setting. In this case, a county contract is not required.

195.21 Subd. 5. **Provider enrollment; rate setting for specialized program.** A county contract
195.22 is not required for a provider proposing to serve a subpopulation of eligible clients under
195.23 the following circumstances:

195.24 (1) the provider demonstrates that the subpopulation to be served requires a specialized
195.25 program which is not available from county-approved entities; and

195.26 (2) the subpopulation to be served is of such a low incidence that it is not feasible to
195.27 develop a program serving a single county or regional group of counties.

195.28 Subd. 6. **Sustainability grants.** The commissioner may disburse grant funds directly to
195.29 intensive residential treatment services providers to maintain access to these services.

195.30 Subd. 7. **Start-up grants.** The commissioner may, within available appropriations,
195.31 disburse grant funding to counties, Indian Tribes, or mental health service providers to
195.32 establish additional intensive residential treatment services and residential crisis services.

196.1 Sec. 6. **REPEALER.**

196.2 Minnesota Statutes 2024, section 256B.0622, subdivision 4, is repealed.

196.3 **ARTICLE 7**

196.4 **ASSERTIVE COMMUNITY TREATMENT AND INTENSIVE RESIDENTIAL**
 196.5 **TREATMENT SERVICES RECODIFICATION CONFORMING CHANGES**

196.6 Section 1. Minnesota Statutes 2024, section 148F.11, subdivision 1, is amended to read:

196.7 Subdivision 1. **Other professionals.** (a) Nothing in this chapter prevents members of
 196.8 other professions or occupations from performing functions for which they are qualified or
 196.9 licensed. This exception includes, but is not limited to: licensed physicians; registered nurses;
 196.10 licensed practical nurses; licensed psychologists and licensed psychological practitioners;
 196.11 members of the clergy provided such services are provided within the scope of regular
 196.12 ministries; American Indian medicine men and women; licensed attorneys; probation officers;
 196.13 licensed marriage and family therapists; licensed social workers; social workers employed
 196.14 by city, county, or state agencies; licensed professional counselors; licensed professional
 196.15 clinical counselors; licensed school counselors; registered occupational therapists or
 196.16 occupational therapy assistants; Upper Midwest Indian Council on Addictive Disorders
 196.17 (UMICAD) certified counselors when providing services to Native American people; city,
 196.18 county, or state employees when providing assessments or case management under Minnesota
 196.19 Rules, chapter 9530; and staff persons providing co-occurring substance use disorder
 196.20 treatment in adult mental health rehabilitative programs certified or licensed by the
 196.21 Department of Human Services under section 245I.23, 256B.0622, ~~or 256B.0623,~~ or
 196.22 256B.0632.

196.23 (b) Nothing in this chapter prohibits technicians and resident managers in programs
 196.24 licensed by the Department of Human Services from discharging their duties as provided
 196.25 in Minnesota Rules, chapter 9530.

196.26 (c) Any person who is exempt from licensure under this section must not use a title
 196.27 incorporating the words "alcohol and drug counselor" or "licensed alcohol and drug
 196.28 counselor" or otherwise hold himself or herself out to the public by any title or description
 196.29 stating or implying that he or she is engaged in the practice of alcohol and drug counseling,
 196.30 or that he or she is licensed to engage in the practice of alcohol and drug counseling, unless
 196.31 that person is also licensed as an alcohol and drug counselor. Persons engaged in the practice
 196.32 of alcohol and drug counseling are not exempt from the board's jurisdiction solely by the
 196.33 use of one of the titles in paragraph (a).

197.1 Sec. 2. Minnesota Statutes 2024, section 245.4662, subdivision 1, is amended to read:

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

197.4 (b) "Community partnership" means a project involving the collaboration of two or more
197.5 eligible applicants.

197.6 (c) "Eligible applicant" means an eligible county, Indian tribe, mental health service
197.7 provider, hospital, or community partnership. Eligible applicant does not include a
197.8 state-operated direct care and treatment facility or program under chapters 246 and 246C.

197.9 (d) "Intensive residential treatment services" has the meaning given in section ~~256B.0622~~
197.10 256B.0632.

197.11 (e) "Metropolitan area" means the seven-county metropolitan area, as defined in section
197.12 473.121, subdivision 2.

197.13 Sec. 3. Minnesota Statutes 2024, section 245.4906, subdivision 2, is amended to read:

197.14 Subd. 2. **Eligible applicants.** An eligible applicant is a licensed entity or provider that
197.15 employs a mental health certified peer specialist qualified under section 245I.04, subdivision
197.16 10, and that provides services to individuals receiving assertive community treatment ~~or~~
197.17 ~~intensive residential treatment services~~ under section 256B.0622, intensive residential
197.18 treatment services under section 256B.0632, adult rehabilitative mental health services
197.19 under section 256B.0623, or crisis response services under section 256B.0624.

197.20 Sec. 4. Minnesota Statutes 2024, section 254B.04, subdivision 1a, is amended to read:

197.21 Subd. 1a. **Client eligibility.** (a) Persons eligible for benefits under Code of Federal
197.22 Regulations, title 25, part 20, who meet the income standards of section 256B.056,
197.23 subdivision 4, and are not enrolled in medical assistance, are entitled to behavioral health
197.24 fund services. State money appropriated for this paragraph must be placed in a separate
197.25 account established for this purpose.

197.26 (b) Persons with dependent children who are determined to be in need of substance use
197.27 disorder treatment pursuant to an assessment under section 260E.20, subdivision 1, or in
197.28 need of chemical dependency treatment pursuant to a case plan under section 260C.201,
197.29 subdivision 6, or 260C.212, shall be assisted by the local agency to access needed treatment
197.30 services. Treatment services must be appropriate for the individual or family, which may
197.31 include long-term care treatment or treatment in a facility that allows the dependent children

198.1 to stay in the treatment facility. The county shall pay for out-of-home placement costs, if
198.2 applicable.

198.3 (c) Notwithstanding paragraph (a), any person enrolled in medical assistance or
198.4 MinnesotaCare is eligible for room and board services under section 254B.05, subdivision
198.5 5, paragraph (b), clause (9).

198.6 (d) A client is eligible to have substance use disorder treatment paid for with funds from
198.7 the behavioral health fund when the client:

198.8 (1) is eligible for MFIP as determined under chapter 142G;

198.9 (2) is eligible for medical assistance as determined under Minnesota Rules, parts
198.10 9505.0010 to 9505.0150;

198.11 (3) is eligible for general assistance, general assistance medical care, or work readiness
198.12 as determined under Minnesota Rules, parts 9500.1200 to 9500.1318; or

198.13 (4) has income that is within current household size and income guidelines for entitled
198.14 persons, as defined in this subdivision and subdivision 7.

198.15 (e) Clients who meet the financial eligibility requirement in paragraph (a) and who have
198.16 a third-party payment source are eligible for the behavioral health fund if the third-party
198.17 payment source pays less than 100 percent of the cost of treatment services for eligible
198.18 clients.

198.19 (f) A client is ineligible to have substance use disorder treatment services paid for with
198.20 behavioral health fund money if the client:

198.21 (1) has an income that exceeds current household size and income guidelines for entitled
198.22 persons as defined in this subdivision and subdivision 7; or

198.23 (2) has an available third-party payment source that will pay the total cost of the client's
198.24 treatment.

198.25 (g) A client who is disenrolled from a state prepaid health plan during a treatment episode
198.26 is eligible for continued treatment service that is paid for by the behavioral health fund until
198.27 the treatment episode is completed or the client is re-enrolled in a state prepaid health plan
198.28 if the client:

198.29 (1) continues to be enrolled in MinnesotaCare, medical assistance, or general assistance
198.30 medical care; or

198.31 (2) is eligible according to paragraphs (a) and (b) and is determined eligible by a local
198.32 agency under section 254B.04.

199.1 (h) When a county commits a client under chapter 253B to a regional treatment center
199.2 for substance use disorder services and the client is ineligible for the behavioral health fund,
199.3 the county is responsible for the payment to the regional treatment center according to
199.4 section 254B.05, subdivision 4.

199.5 (i) Persons enrolled in MinnesotaCare are eligible for room and board services when
199.6 provided through intensive residential treatment services and residential crisis services under
199.7 section ~~256B.0622~~ 256B.0632.

199.8 Sec. 5. Minnesota Statutes 2024, section 254B.05, subdivision 1a, is amended to read:

199.9 Subd. 1a. **Room and board provider requirements.** (a) Vendors of room and board
199.10 are eligible for behavioral health fund payment if the vendor:

199.11 (1) has rules prohibiting residents bringing chemicals into the facility or using chemicals
199.12 while residing in the facility and provide consequences for infractions of those rules;

199.13 (2) is determined to meet applicable health and safety requirements;

199.14 (3) is not a jail or prison;

199.15 (4) is not concurrently receiving funds under chapter 256I for the recipient;

199.16 (5) admits individuals who are 18 years of age or older;

199.17 (6) is registered as a board and lodging or lodging establishment according to section
199.18 157.17;

199.19 (7) has awake staff on site whenever a client is present;

199.20 (8) has staff who are at least 18 years of age and meet the requirements of section
199.21 245G.11, subdivision 1, paragraph (b);

199.22 (9) has emergency behavioral procedures that meet the requirements of section 245G.16;

199.23 (10) meets the requirements of section 245G.08, subdivision 5, if administering
199.24 medications to clients;

199.25 (11) meets the abuse prevention requirements of section 245A.65, including a policy on
199.26 fraternization and the mandatory reporting requirements of section 626.557;

199.27 (12) documents coordination with the treatment provider to ensure compliance with
199.28 section 254B.03, subdivision 2;

199.29 (13) protects client funds and ensures freedom from exploitation by meeting the
199.30 provisions of section 245A.04, subdivision 13;

200.1 (14) has a grievance procedure that meets the requirements of section 245G.15,
200.2 subdivision 2; and

200.3 (15) has sleeping and bathroom facilities for men and women separated by a door that
200.4 is locked, has an alarm, or is supervised by awake staff.

200.5 (b) Programs licensed according to Minnesota Rules, chapter 2960, are exempt from
200.6 paragraph (a), clauses (5) to (15).

200.7 (c) Programs providing children's mental health crisis admissions and stabilization under
200.8 section 245.4882, subdivision 6, are eligible vendors of room and board.

200.9 (d) Programs providing children's residential services under section 245.4882, except
200.10 services for individuals who have a placement under chapter 260C or 260D, are eligible
200.11 vendors of room and board.

200.12 (e) Licensed programs providing intensive residential treatment services or residential
200.13 crisis stabilization services pursuant to section ~~256B.0622~~ or 256B.0624 or 256B.0632 are
200.14 eligible vendors of room and board and are exempt from paragraph (a), clauses (6) to (15).

200.15 (f) A vendor that is not licensed as a residential treatment program must have a policy
200.16 to address staffing coverage when a client may unexpectedly need to be present at the room
200.17 and board site.

200.18 Sec. 6. Minnesota Statutes 2024, section 256.478, subdivision 2, is amended to read:

200.19 Subd. 2. **Eligibility.** An individual is eligible for the transition to community initiative
200.20 if the individual can demonstrate that current services are not capable of meeting individual
200.21 treatment and service needs that can be met in the community with support, and the individual
200.22 meets at least one of the following criteria:

200.23 (1) the person meets the criteria under section 256B.092, subdivision 13, or 256B.49,
200.24 subdivision 24;

200.25 (2) the person has met treatment objectives and no longer requires a hospital-level care,
200.26 residential-level care, or a secure treatment setting, but the person's discharge from the
200.27 Anoka Metro Regional Treatment Center, the Minnesota Forensic Mental Health Program,
200.28 the Child and Adolescent Behavioral Health Hospital program, a psychiatric residential
200.29 treatment facility under section 256B.0941, intensive residential treatment services under
200.30 section ~~256B.0622~~ 256B.0632, children's residential services under section 245.4882,
200.31 juvenile detention facility, county supervised building, or a hospital would be substantially
200.32 delayed without additional resources available through the transitions to community initiative;

201.1 (3) the person (i) is receiving customized living services reimbursed under section
 201.2 256B.4914, 24-hour customized living services reimbursed under section 256B.4914, or
 201.3 community residential services reimbursed under section 256B.4914; (ii) expresses a desire
 201.4 to move; and (iii) has received approval from the commissioner; or

201.5 (4) the person can demonstrate that the person's needs are beyond the scope of current
 201.6 service designs and grant funding can support the inclusion of additional supports for the
 201.7 person to access appropriate treatment and services in the least restrictive environment.

201.8 Sec. 7. Minnesota Statutes 2024, section 256B.0615, subdivision 1, is amended to read:

201.9 Subdivision 1. **Scope.** Medical assistance covers mental health certified peer specialist
 201.10 services, as established in subdivision 2, if provided to recipients who are eligible for services
 201.11 under sections 256B.0622, 256B.0623, ~~and 256B.0624,~~ and 256B.0632 and are provided
 201.12 by a mental health certified peer specialist who has completed the training under subdivision
 201.13 5 and is qualified according to section 245I.04, subdivision 10.

201.14 Sec. 8. Minnesota Statutes 2024, section 256B.0615, subdivision 3, is amended to read:

201.15 Subd. 3. **Eligibility.** Peer support services may be made available to consumers of (1)
 201.16 intensive residential treatment services under section ~~256B.0622~~ 256B.0632; (2) adult
 201.17 rehabilitative mental health services under section 256B.0623; and (3) crisis stabilization
 201.18 and mental health mobile crisis intervention services under section 256B.0624.

201.19 Sec. 9. Minnesota Statutes 2024, section 256B.82, is amended to read:

201.20 **256B.82 PREPAID PLANS AND MENTAL HEALTH REHABILITATIVE**
 201.21 **SERVICES.**

201.22 Medical assistance and MinnesotaCare prepaid health plans may include coverage for
 201.23 adult mental health rehabilitative services under section 256B.0623, intensive rehabilitative
 201.24 services under section ~~256B.0622~~ 256B.0632, and adult mental health crisis response services
 201.25 under section 256B.0624, beginning January 1, 2005.

201.26 By January 15, 2004, the commissioner shall report to the legislature how these services
 201.27 should be included in prepaid plans. The commissioner shall consult with mental health
 201.28 advocates, health plans, and counties in developing this report. The report recommendations
 201.29 must include a plan to ensure coordination of these services between health plans and
 201.30 counties, assure recipient access to essential community providers, and monitor the health
 201.31 plans' delivery of services through utilization review and quality standards.

202.1 Sec. 10. Minnesota Statutes 2024, section 256D.44, subdivision 5, is amended to read:

202.2 Subd. 5. **Special needs.** (a) In addition to the state standards of assistance established
202.3 in subdivisions 1 to 4, payments are allowed for the following special needs of recipients
202.4 of Minnesota supplemental aid who are not residents of a nursing home, a regional treatment
202.5 center, or a setting authorized to receive housing support payments under chapter 256I.

202.6 (b) The county agency shall pay a monthly allowance for medically prescribed diets if
202.7 the cost of those additional dietary needs cannot be met through some other maintenance
202.8 benefit. The need for special diets or dietary items must be prescribed by a licensed physician,
202.9 advanced practice registered nurse, or physician assistant. Costs for special diets shall be
202.10 determined as percentages of the allotment for a one-person household under the thrifty
202.11 food plan as defined by the United States Department of Agriculture. The types of diets and
202.12 the percentages of the thrifty food plan that are covered are as follows:

202.13 (1) high protein diet, at least 80 grams daily, 25 percent of thrifty food plan;

202.14 (2) controlled protein diet, 40 to 60 grams and requires special products, 100 percent of
202.15 thrifty food plan;

202.16 (3) controlled protein diet, less than 40 grams and requires special products, 125 percent
202.17 of thrifty food plan;

202.18 (4) low cholesterol diet, 25 percent of thrifty food plan;

202.19 (5) high residue diet, 20 percent of thrifty food plan;

202.20 (6) pregnancy and lactation diet, 35 percent of thrifty food plan;

202.21 (7) gluten-free diet, 25 percent of thrifty food plan;

202.22 (8) lactose-free diet, 25 percent of thrifty food plan;

202.23 (9) antidumping diet, 15 percent of thrifty food plan;

202.24 (10) hypoglycemic diet, 15 percent of thrifty food plan; or

202.25 (11) ketogenic diet, 25 percent of thrifty food plan.

202.26 (c) Payment for nonrecurring special needs must be allowed for necessary home repairs
202.27 or necessary repairs or replacement of household furniture and appliances using the payment
202.28 standard of the AFDC program in effect on July 16, 1996, for these expenses, as long as
202.29 other funding sources are not available.

202.30 (d) A fee for guardian or conservator service is allowed at a reasonable rate negotiated
202.31 by the county or approved by the court. This rate shall not exceed five percent of the

203.1 assistance unit's gross monthly income up to a maximum of \$100 per month. If the guardian
203.2 or conservator is a member of the county agency staff, no fee is allowed.

203.3 (e) The county agency shall continue to pay a monthly allowance of \$68 for restaurant
203.4 meals for a person who was receiving a restaurant meal allowance on June 1, 1990, and
203.5 who eats two or more meals in a restaurant daily. The allowance must continue until the
203.6 person has not received Minnesota supplemental aid for one full calendar month or until
203.7 the person's living arrangement changes and the person no longer meets the criteria for the
203.8 restaurant meal allowance, whichever occurs first.

203.9 (f) A fee equal to the maximum monthly amount allowed by the Social Security
203.10 Administration is allowed for representative payee services provided by an agency that
203.11 meets the requirements under SSI regulations to charge a fee for representative payee
203.12 services. This special need is available to all recipients of Minnesota supplemental aid
203.13 regardless of their living arrangement.

203.14 (g)(1) Notwithstanding the language in this subdivision, an amount equal to one-half of
203.15 the maximum federal Supplemental Security Income payment amount for a single individual
203.16 which is in effect on the first day of July of each year will be added to the standards of
203.17 assistance established in subdivisions 1 to 4 for adults under the age of 65 who qualify as
203.18 in need of housing assistance and are:

203.19 (i) relocating from an institution, a setting authorized to receive housing support under
203.20 chapter 256I, or an adult mental health residential treatment program under section ~~256B.0622~~
203.21 256B.0632;

203.22 (ii) eligible for personal care assistance under section 256B.0659; or

203.23 (iii) home and community-based waiver recipients living in their own home or rented
203.24 or leased apartment.

203.25 (2) Notwithstanding subdivision 3, paragraph (c), an individual eligible for the shelter
203.26 needy benefit under this paragraph is considered a household of one. An eligible individual
203.27 who receives this benefit prior to age 65 may continue to receive the benefit after the age
203.28 of 65.

203.29 (3) "Housing assistance" means that the assistance unit incurs monthly shelter costs that
203.30 exceed 40 percent of the assistance unit's gross income before the application of this special
203.31 needs standard. "Gross income" for the purposes of this section is the applicant's or recipient's
203.32 income as defined in section 256D.35, subdivision 10, or the standard specified in subdivision
203.33 3, paragraph (a) or (b), whichever is greater. A recipient of a federal or state housing subsidy,

204.1 that limits shelter costs to a percentage of gross income, shall not be considered in need of
 204.2 housing assistance for purposes of this paragraph.

204.3 **ARTICLE 8**

204.4 **CHILDREN'S MENTAL HEALTH TERMINOLOGY**

204.5 Section 1. Minnesota Statutes 2024, section 62Q.527, subdivision 1, is amended to read:

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

204.8 ~~(b) "Emotional disturbance" has the meaning given in section 245.4871, subdivision 15.~~

204.9 ~~(e)~~ (b) "Mental illness" has the meaning given in ~~section~~ sections 245.462, subdivision
 204.10 20, paragraph (a), and 245.4871, subdivision 15.

204.11 ~~(d)~~ (c) "Health plan" has the meaning given in section 62Q.01, subdivision 3, but includes
 204.12 the coverages described in section 62A.011, subdivision 3, clauses (7) and (10).

204.13 Sec. 2. Minnesota Statutes 2024, section 62Q.527, subdivision 2, is amended to read:

204.14 Subd. 2. **Required coverage for antipsychotic drugs.** (a) A health plan that provides
 204.15 prescription drug coverage must provide coverage for an antipsychotic drug prescribed to
 204.16 treat ~~emotional disturbance or~~ mental illness regardless of whether the drug is in the health
 204.17 plan's drug formulary, if the health care provider prescribing the drug:

204.18 (1) indicates to the dispensing pharmacist, orally or in writing according to section
 204.19 151.21, that the prescription must be dispensed as communicated; and

204.20 (2) certifies in writing to the health plan company that the health care provider has
 204.21 considered all equivalent drugs in the health plan's drug formulary and has determined that
 204.22 the drug prescribed will best treat the patient's condition.

204.23 (b) The health plan is not required to provide coverage for a drug if the drug was removed
 204.24 from the health plan's drug formulary for safety reasons.

204.25 (c) For drugs covered under this section, no health plan company that has received a
 204.26 certification from the health care provider as described in paragraph (a) may:

204.27 (1) impose a special deductible, co-payment, coinsurance, or other special payment
 204.28 requirement that the health plan does not apply to drugs that are in the health plan's drug
 204.29 formulary; or

205.1 (2) require written certification from the prescribing provider each time a prescription
205.2 is refilled or renewed that the drug prescribed will best treat the patient's condition.

205.3 Sec. 3. Minnesota Statutes 2024, section 62Q.527, subdivision 3, is amended to read:

205.4 Subd. 3. **Continuing care.** (a) Enrollees receiving a prescribed drug to treat a diagnosed
205.5 mental illness ~~or emotional disturbance~~ may continue to receive the prescribed drug for up
205.6 to one year without the imposition of a special deductible, co-payment, coinsurance, or
205.7 other special payment requirements, when a health plan's drug formulary changes or an
205.8 enrollee changes health plans and the medication has been shown to effectively treat the
205.9 patient's condition. In order to be eligible for this continuing care benefit:

205.10 (1) the patient must have been treated with the drug for 90 days prior to a change in a
205.11 health plan's drug formulary or a change in the enrollee's health plan;

205.12 (2) the health care provider prescribing the drug indicates to the dispensing pharmacist,
205.13 orally or in writing according to section 151.21, that the prescription must be dispensed as
205.14 communicated; and

205.15 (3) the health care provider prescribing the drug certifies in writing to the health plan
205.16 company that the drug prescribed will best treat the patient's condition.

205.17 (b) The continuing care benefit shall be extended annually when the health care provider
205.18 prescribing the drug:

205.19 (1) indicates to the dispensing pharmacist, orally or in writing according to section
205.20 151.21, that the prescription must be dispensed as communicated; and

205.21 (2) certifies in writing to the health plan company that the drug prescribed will best treat
205.22 the patient's condition.

205.23 (c) The health plan company is not required to provide coverage for a drug if the drug
205.24 was removed from the health plan's drug formulary for safety reasons.

205.25 Sec. 4. Minnesota Statutes 2024, section 121A.61, subdivision 3, is amended to read:

205.26 Subd. 3. **Policy components.** The policy must include at least the following components:

205.27 (a) rules governing student conduct and procedures for informing students of the rules;

205.28 (b) the grounds for removal of a student from a class;

205.29 (c) the authority of the classroom teacher to remove students from the classroom pursuant
205.30 to procedures and rules established in the district's policy;

- 206.1 (d) the procedures for removal of a student from a class by a teacher, school administrator,
206.2 or other school district employee;
- 206.3 (e) the period of time for which a student may be removed from a class, which may not
206.4 exceed five class periods for a violation of a rule of conduct;
- 206.5 (f) provisions relating to the responsibility for and custody of a student removed from
206.6 a class;
- 206.7 (g) the procedures for return of a student to the specified class from which the student
206.8 has been removed;
- 206.9 (h) the procedures for notifying a student and the student's parents or guardian of
206.10 violations of the rules of conduct and of resulting disciplinary actions;
- 206.11 (i) any procedures determined appropriate for encouraging early involvement of parents
206.12 or guardians in attempts to improve a student's behavior;
- 206.13 (j) any procedures determined appropriate for encouraging early detection of behavioral
206.14 problems;
- 206.15 (k) any procedures determined appropriate for referring a student in need of special
206.16 education services to those services;
- 206.17 (l) any procedures determined appropriate for ensuring victims of bullying who respond
206.18 with behavior not allowed under the school's behavior policies have access to a remedial
206.19 response, consistent with section 121A.031;
- 206.20 (m) the procedures for consideration of whether there is a need for a further assessment
206.21 or of whether there is a need for a review of the adequacy of a current individualized
206.22 education program of a student with a disability who is removed from class;
- 206.23 (n) procedures for detecting and addressing chemical abuse problems of a student while
206.24 on the school premises;
- 206.25 (o) the minimum consequences for violations of the code of conduct;
- 206.26 (p) procedures for immediate and appropriate interventions tied to violations of the code;
- 206.27 (q) a provision that states that a teacher, school employee, school bus driver, or other
206.28 agent of a district may use reasonable force in compliance with section 121A.582 and other
206.29 laws;
- 206.30 (r) an agreement regarding procedures to coordinate crisis services to the extent funds
206.31 are available with the county board responsible for implementing sections 245.487 to

207.1 245.4889 for students with a serious ~~emotional disturbance~~ mental illness or other students
207.2 who have an individualized education program whose behavior may be addressed by crisis
207.3 intervention;

207.4 (s) a provision that states a student must be removed from class immediately if the student
207.5 engages in assault or violent behavior. For purposes of this paragraph, "assault" has the
207.6 meaning given it in section 609.02, subdivision 10. The removal shall be for a period of
207.7 time deemed appropriate by the principal, in consultation with the teacher;

207.8 (t) a prohibition on the use of exclusionary practices for early learners as defined in
207.9 section 121A.425; and

207.10 (u) a prohibition on the use of exclusionary practices to address attendance and truancy
207.11 issues.

207.12 Sec. 5. Minnesota Statutes 2024, section 128C.02, subdivision 5, is amended to read:

207.13 Subd. 5. **Rules for open enrollees.** (a) The league shall adopt league rules and regulations
207.14 governing the athletic participation of pupils attending school in a nonresident district under
207.15 section 124D.03.

207.16 (b) Notwithstanding other law or league rule or regulation to the contrary, when a student
207.17 enrolls in or is readmitted to a recovery-focused high school after successfully completing
207.18 a licensed program for treatment of alcohol or substance abuse, or mental illness, ~~or emotional~~
207.19 ~~disturbance~~, the student is immediately eligible to participate on the same basis as other
207.20 district students in the league-sponsored activities of the student's resident school district.
207.21 Nothing in this paragraph prohibits the league or school district from enforcing a league or
207.22 district penalty resulting from the student violating a league or district rule.

207.23 (c) The league shall adopt league rules making a student with an individualized education
207.24 program who transfers from one public school to another public school as a reasonable
207.25 accommodation to reduce barriers to educational access immediately eligible to participate
207.26 in league-sponsored varsity competition on the same basis as other students in the school
207.27 to which the student transfers. The league also must establish guidelines, consistent with
207.28 this paragraph, for reviewing the 504 plan of a student who transfers between public schools
207.29 to determine whether the student is immediately eligible to participate in league-sponsored
207.30 varsity competition on the same basis as other students in the school to which the student
207.31 transfers.

208.1 Sec. 6. Minnesota Statutes 2024, section 142G.02, subdivision 56, is amended to read:

208.2 Subd. 56. **Learning disabled.** "Learning disabled," for purposes of an extension to the
208.3 60-month time limit under section 142G.42, subdivision 4, clause (3), means the person has
208.4 a disorder in one or more of the psychological processes involved in perceiving,
208.5 understanding, or using concepts through verbal language or nonverbal means. Learning
208.6 disabled does not include learning problems that are primarily the result of visual, hearing,
208.7 or motor disabilities; developmental disability; ~~emotional disturbance;~~ or mental illness or
208.8 due to environmental, cultural, or economic disadvantage.

208.9 Sec. 7. Minnesota Statutes 2024, section 142G.27, subdivision 4, is amended to read:

208.10 Subd. 4. **Good cause exemptions for not attending orientation.** (a) The county agency
208.11 shall not impose the sanction under section 142G.70 if it determines that the participant has
208.12 good cause for failing to attend orientation. Good cause exists when:

208.13 (1) appropriate child care is not available;

208.14 (2) the participant is ill or injured;

208.15 (3) a family member is ill and needs care by the participant that prevents the participant
208.16 from attending orientation. For a caregiver with a child or adult in the household who meets
208.17 the disability or medical criteria for home care services under section 256B.0659, or a home
208.18 and community-based waiver services program under chapter 256B, or meets the criteria
208.19 ~~for severe emotional disturbance~~ serious mental illness under section 245.4871, subdivision
208.20 6, or for serious and persistent mental illness under section 245.462, subdivision 20,
208.21 paragraph (c), good cause also exists when an interruption in the provision of those services
208.22 occurs which prevents the participant from attending orientation;

208.23 (4) the caregiver is unable to secure necessary transportation;

208.24 (5) the caregiver is in an emergency situation that prevents orientation attendance;

208.25 (6) the orientation conflicts with the caregiver's work, training, or school schedule; or

208.26 (7) the caregiver documents other verifiable impediments to orientation attendance
208.27 beyond the caregiver's control.

208.28 (b) Counties must work with clients to provide child care and transportation necessary
208.29 to ensure a caregiver has every opportunity to attend orientation.

209.1 Sec. 8. Minnesota Statutes 2024, section 142G.42, subdivision 3, is amended to read:

209.2 Subd. 3. **Ill or incapacitated.** (a) An assistance unit subject to the time limit in section
209.3 142G.40, subdivision 1, is eligible to receive months of assistance under a hardship extension
209.4 if the participant who reached the time limit belongs to any of the following groups:

209.5 (1) participants who are suffering from an illness, injury, or incapacity which has been
209.6 certified by a qualified professional when the illness, injury, or incapacity is expected to
209.7 continue for more than 30 days and severely limits the person's ability to obtain or maintain
209.8 suitable employment. These participants must follow the treatment recommendations of the
209.9 qualified professional certifying the illness, injury, or incapacity;

209.10 (2) participants whose presence in the home is required as a caregiver because of the
209.11 illness, injury, or incapacity of another member in the assistance unit, a relative in the
209.12 household, or a foster child in the household when the illness or incapacity and the need
209.13 for a person to provide assistance in the home has been certified by a qualified professional
209.14 and is expected to continue for more than 30 days; or

209.15 (3) caregivers with a child or an adult in the household who meets the disability or
209.16 medical criteria for home care services under section 256B.0651, subdivision 1, paragraph
209.17 (c), or a home and community-based waiver services program under chapter 256B, or meets
209.18 the criteria for ~~severe emotional disturbance~~ serious mental illness under section 245.4871,
209.19 subdivision 6, or for serious and persistent mental illness under section 245.462, subdivision
209.20 20, paragraph (c). Caregivers in this category are presumed to be prevented from obtaining
209.21 or maintaining suitable employment.

209.22 (b) An assistance unit receiving assistance under a hardship extension under this
209.23 subdivision may continue to receive assistance as long as the participant meets the criteria
209.24 in paragraph (a), clause (1), (2), or (3).

209.25 Sec. 9. Minnesota Statutes 2024, section 245.462, subdivision 4, is amended to read:

209.26 Subd. 4. **Case management service provider.** (a) "Case management service provider"
209.27 means a case manager or case manager associate employed by the county or other entity
209.28 authorized by the county board to provide case management services specified in section
209.29 245.4711.

209.30 (b) A case manager must:

209.31 (1) be skilled in the process of identifying and assessing a wide range of client needs;

210.1 (2) be knowledgeable about local community resources and how to use those resources
210.2 for the benefit of the client;

210.3 (3) be a mental health practitioner as defined in section 245I.04, subdivision 4, or have
210.4 a bachelor's degree in one of the behavioral sciences or related fields including, but not
210.5 limited to, social work, psychology, or nursing from an accredited college or university. A
210.6 case manager who is not a mental health practitioner and who does not have a bachelor's
210.7 degree in one of the behavioral sciences or related fields must meet the requirements of
210.8 paragraph (c); and

210.9 (4) meet the supervision and continuing education requirements described in paragraphs
210.10 (d), (e), and (f), as applicable.

210.11 (c) Case managers without a bachelor's degree must meet one of the requirements in
210.12 clauses (1) to (3):

210.13 (1) have three or four years of experience as a case manager associate as defined in this
210.14 section;

210.15 (2) be a registered nurse without a bachelor's degree and have a combination of
210.16 specialized training in psychiatry and work experience consisting of community interaction
210.17 and involvement or community discharge planning in a mental health setting totaling three
210.18 years; or

210.19 (3) be a person who qualified as a case manager under the 1998 Department of Human
210.20 Service waiver provision and meet the continuing education and mentoring requirements
210.21 in this section.

210.22 (d) A case manager with at least 2,000 hours of supervised experience in the delivery
210.23 of services to adults with mental illness must receive regular ongoing supervision and clinical
210.24 supervision totaling 38 hours per year of which at least one hour per month must be clinical
210.25 supervision regarding individual service delivery with a case management supervisor. The
210.26 remaining 26 hours of supervision may be provided by a case manager with two years of
210.27 experience. Group supervision may not constitute more than one-half of the required
210.28 supervision hours. Clinical supervision must be documented in the client record.

210.29 (e) A case manager without 2,000 hours of supervised experience in the delivery of
210.30 services to adults with mental illness must:

210.31 (1) receive clinical supervision regarding individual service delivery from a mental
210.32 health professional at least one hour per week until the requirement of 2,000 hours of
210.33 experience is met; and

211.1 (2) complete 40 hours of training approved by the commissioner in case management
211.2 skills and the characteristics and needs of adults with serious and persistent mental illness.

211.3 (f) A case manager who is not licensed, registered, or certified by a health-related
211.4 licensing board must receive 30 hours of continuing education and training in mental illness
211.5 and mental health services every two years.

211.6 (g) A case manager associate (CMA) must:

211.7 (1) work under the direction of a case manager or case management supervisor;

211.8 (2) be at least 21 years of age;

211.9 (3) have at least a high school diploma or its equivalent; and

211.10 (4) meet one of the following criteria:

211.11 (i) have an associate of arts degree in one of the behavioral sciences or human services;

211.12 (ii) be a certified peer specialist under section 256B.0615;

211.13 (iii) be a registered nurse without a bachelor's degree;

211.14 (iv) within the previous ten years, have three years of life experience with serious and
211.15 persistent mental illness as defined in subdivision 20; ~~or as a child had severe emotional~~
211.16 ~~disturbance~~ a serious mental illness as defined in section 245.4871, subdivision 6; or have
211.17 three years life experience as a primary caregiver to an adult with serious and persistent
211.18 mental illness within the previous ten years;

211.19 (v) have 6,000 hours work experience as a nondegreed state hospital technician; or

211.20 (vi) have at least 6,000 hours of supervised experience in the delivery of services to
211.21 persons with mental illness.

211.22 Individuals meeting one of the criteria in items (i) to (v) may qualify as a case manager
211.23 after four years of supervised work experience as a case manager associate. Individuals
211.24 meeting the criteria in item (vi) may qualify as a case manager after three years of supervised
211.25 experience as a case manager associate.

211.26 (h) A case management associate must meet the following supervision, mentoring, and
211.27 continuing education requirements:

211.28 (1) have 40 hours of preservice training described under paragraph (e), clause (2);

211.29 (2) receive at least 40 hours of continuing education in mental illness and mental health
211.30 services annually; and

212.1 (3) receive at least five hours of mentoring per week from a case management mentor.

212.2 A "case management mentor" means a qualified, practicing case manager or case management
212.3 supervisor who teaches or advises and provides intensive training and clinical supervision
212.4 to one or more case manager associates. Mentoring may occur while providing direct services
212.5 to consumers in the office or in the field and may be provided to individuals or groups of
212.6 case manager associates. At least two mentoring hours per week must be individual and
212.7 face-to-face.

212.8 (i) A case management supervisor must meet the criteria for mental health professionals,
212.9 as specified in subdivision 18.

212.10 (j) An immigrant who does not have the qualifications specified in this subdivision may
212.11 provide case management services to adult immigrants with serious and persistent mental
212.12 illness who are members of the same ethnic group as the case manager if the person:

212.13 (1) is currently enrolled in and is actively pursuing credits toward the completion of a
212.14 bachelor's degree in one of the behavioral sciences or a related field including, but not
212.15 limited to, social work, psychology, or nursing from an accredited college or university;

212.16 (2) completes 40 hours of training as specified in this subdivision; and

212.17 (3) receives clinical supervision at least once a week until the requirements of this
212.18 subdivision are met.

212.19 Sec. 10. Minnesota Statutes 2024, section 245.4682, subdivision 3, is amended to read:

212.20 Subd. 3. **Projects for coordination of care.** (a) Consistent with section 256B.69 and
212.21 chapter 256L, the commissioner is authorized to solicit, approve, and implement up to three
212.22 projects to demonstrate the integration of physical and mental health services within prepaid
212.23 health plans and their coordination with social services. The commissioner shall require
212.24 that each project be based on locally defined partnerships that include at least one health
212.25 maintenance organization, community integrated service network, or accountable provider
212.26 network authorized and operating under chapter 62D, 62N, or 62T, or county-based
212.27 purchasing entity under section 256B.692 that is eligible to contract with the commissioner
212.28 as a prepaid health plan, and the county or counties within the service area. Counties shall
212.29 retain responsibility and authority for social services in these locally defined partnerships.

212.30 (b) The commissioner, in consultation with consumers, families, and their representatives,
212.31 shall:

213.1 (1) determine criteria for approving the projects and use those criteria to solicit proposals
213.2 for preferred integrated networks. The commissioner must develop criteria to evaluate the
213.3 partnership proposed by the county and prepaid health plan to coordinate access and delivery
213.4 of services. The proposal must at a minimum address how the partnership will coordinate
213.5 the provision of:

213.6 (i) client outreach and identification of health and social service needs paired with
213.7 expedited access to appropriate resources;

213.8 (ii) activities to maintain continuity of health care coverage;

213.9 (iii) children's residential mental health treatment and treatment foster care;

213.10 (iv) court-ordered assessments and treatments;

213.11 (v) prepetition screening and commitments under chapter 253B;

213.12 (vi) assessment and treatment of children identified through mental health screening of
213.13 child welfare and juvenile corrections cases;

213.14 (vii) home and community-based waiver services;

213.15 (viii) assistance with finding and maintaining employment;

213.16 (ix) housing; and

213.17 (x) transportation;

213.18 (2) determine specifications for contracts with prepaid health plans to improve the plan's
213.19 ability to serve persons with mental health conditions, including specifications addressing:

213.20 (i) early identification and intervention of physical and behavioral health problems;

213.21 (ii) communication between the enrollee and the health plan;

213.22 (iii) facilitation of enrollment for persons who are also eligible for a Medicare special
213.23 needs plan offered by the health plan;

213.24 (iv) risk screening procedures;

213.25 (v) health care coordination;

213.26 (vi) member services and access to applicable protections and appeal processes;

213.27 (vii) specialty provider networks;

213.28 (viii) transportation services;

213.29 (ix) treatment planning; and

- 214.1 (x) administrative simplification for providers;
- 214.2 (3) begin implementation of the projects no earlier than January 1, 2009, with not more
214.3 than 40 percent of the statewide population included during calendar year 2009 and additional
214.4 counties included in subsequent years;
- 214.5 (4) waive any administrative rule not consistent with the implementation of the projects;
- 214.6 (5) allow potential bidders at least 90 days to respond to the request for proposals; and
- 214.7 (6) conduct an independent evaluation to determine if mental health outcomes have
214.8 improved in that county or counties according to measurable standards designed in
214.9 consultation with the advisory body established under this subdivision and reviewed by the
214.10 State Advisory Council on Mental Health.
- 214.11 (c) Notwithstanding any statute or administrative rule to the contrary, the commissioner
214.12 may enroll all persons eligible for medical assistance with serious mental illness ~~or emotional~~
214.13 ~~disturbance~~ in the prepaid plan of their choice within the project service area unless:
- 214.14 (1) the individual is eligible for home and community-based services for persons with
214.15 developmental disabilities and related conditions under section 256B.092; or
- 214.16 (2) the individual has a basis for exclusion from the prepaid plan under section 256B.69,
214.17 subdivision 4, other than disability, or mental illness, ~~or emotional disturbance~~.
- 214.18 (d) The commissioner shall involve organizations representing persons with mental
214.19 illness and their families in the development and distribution of information used to educate
214.20 potential enrollees regarding their options for health care and mental health service delivery
214.21 under this subdivision.
- 214.22 (e) If the person described in paragraph (c) does not elect to remain in fee-for-service
214.23 medical assistance, or declines to choose a plan, the commissioner may preferentially assign
214.24 that person to the prepaid plan participating in the preferred integrated network. The
214.25 commissioner shall implement the enrollment changes within a project's service area on the
214.26 timeline specified in that project's approved application.
- 214.27 (f) A person enrolled in a prepaid health plan under paragraphs (c) and (d) may disenroll
214.28 from the plan at any time.
- 214.29 (g) The commissioner, in consultation with consumers, families, and their representatives,
214.30 shall evaluate the projects begun in 2009, and shall refine the design of the service integration
214.31 projects before expanding the projects. The commissioner shall report to the chairs of the

215.1 legislative committees with jurisdiction over mental health services by March 1, 2008, on
215.2 plans for evaluation of preferred integrated networks established under this subdivision.

215.3 (h) The commissioner shall apply for any federal waivers necessary to implement these
215.4 changes.

215.5 (i) Payment for Medicaid service providers under this subdivision for the months of
215.6 May and June will be made no earlier than July 1 of the same calendar year.

215.7 Sec. 11. Minnesota Statutes 2024, section 245.4835, subdivision 2, is amended to read:

215.8 Subd. 2. **Failure to maintain expenditures.** (a) If a county does not comply with
215.9 subdivision 1, the commissioner shall require the county to develop a corrective action plan
215.10 according to a format and timeline established by the commissioner. If the commissioner
215.11 determines that a county has not developed an acceptable corrective action plan within the
215.12 required timeline, or that the county is not in compliance with an approved corrective action
215.13 plan, the protections provided to that county under section 245.485 do not apply.

215.14 (b) The commissioner shall consider the following factors to determine whether to
215.15 approve a county's corrective action plan:

215.16 (1) the degree to which a county is maximizing revenues for mental health services from
215.17 noncounty sources;

215.18 (2) the degree to which a county is expanding use of alternative services that meet mental
215.19 health needs, but do not count as mental health services within existing reporting systems.
215.20 If approved by the commissioner, the alternative services must be included in the county's
215.21 base as well as subsequent years. The commissioner's approval for alternative services must
215.22 be based on the following criteria:

215.23 (i) the service must be provided to children ~~with emotional disturbance~~ or adults with
215.24 mental illness;

215.25 (ii) the services must be based on an individual treatment plan or individual community
215.26 support plan as defined in the Comprehensive Mental Health Act; and

215.27 (iii) the services must be supervised by a mental health professional and provided by
215.28 staff who meet the staff qualifications defined in sections 256B.0943, subdivision 7, and
215.29 256B.0623, subdivision 5.

215.30 (c) Additional county expenditures to make up for the prior year's underspending may
215.31 be spread out over a two-year period.

216.1 Sec. 12. Minnesota Statutes 2024, section 245.4863, is amended to read:

216.2 **245.4863 INTEGRATED CO-OCCURRING DISORDER TREATMENT.**

216.3 (a) The commissioner shall require individuals who perform substance use disorder
216.4 assessments to screen clients for co-occurring mental health disorders, and staff who perform
216.5 mental health diagnostic assessments to screen for co-occurring substance use disorders.
216.6 Screening tools must be approved by the commissioner. If a client screens positive for a
216.7 co-occurring mental health or substance use disorder, the individual performing the screening
216.8 must document what actions will be taken in response to the results and whether further
216.9 assessments must be performed.

216.10 (b) Notwithstanding paragraph (a), screening is not required when:

216.11 (1) the presence of co-occurring disorders was documented for the client in the past 12
216.12 months;

216.13 (2) the client is currently receiving co-occurring disorders treatment;

216.14 (3) the client is being referred for co-occurring disorders treatment; or

216.15 (4) a mental health professional who is competent to perform diagnostic assessments of
216.16 co-occurring disorders is performing a diagnostic assessment to identify whether the client
216.17 may have co-occurring mental health and substance use disorders. If an individual is
216.18 identified to have co-occurring mental health and substance use disorders, the assessing
216.19 mental health professional must document what actions will be taken to address the client's
216.20 co-occurring disorders.

216.21 (c) The commissioner shall adopt rules as necessary to implement this section. The
216.22 commissioner shall ensure that the rules are effective on July 1, 2013, thereby establishing
216.23 a certification process for integrated dual disorder treatment providers and a system through
216.24 which individuals receive integrated dual diagnosis treatment if assessed as having both a
216.25 substance use disorder and ~~either a serious mental illness or emotional disturbance.~~

216.26 (d) The commissioner shall apply for any federal waivers necessary to secure, to the
216.27 extent allowed by law, federal financial participation for the provision of integrated dual
216.28 diagnosis treatment to persons with co-occurring disorders.

216.29 Sec. 13. Minnesota Statutes 2024, section 245.487, subdivision 2, is amended to read:

216.30 Subd. 2. **Findings.** The legislature finds there is a need for further development of
216.31 existing clinical services for ~~emotionally-disturbed~~ children with mental illness and their
216.32 families and the creation of new services for this population. Although the services specified

217.1 in sections 245.487 to 245.4889 are mental health services, sections 245.487 to 245.4889
217.2 emphasize the need for a child-oriented and family-oriented approach of therapeutic
217.3 programming and the need for continuity of care with other community agencies. At the
217.4 same time, sections 245.487 to 245.4889 emphasize the importance of developing special
217.5 mental health expertise in children's mental health services because of the unique needs of
217.6 this population.

217.7 Nothing in sections 245.487 to 245.4889 shall be construed to abridge the authority of
217.8 the court to make dispositions under chapter 260, but the mental health services due any
217.9 child with serious and persistent mental illness, as defined in section 245.462, subdivision
217.10 20, or with ~~severe emotional disturbance~~ a serious mental illness, as defined in section
217.11 245.4871, subdivision 6, shall be made a part of any disposition affecting that child.

217.12 Sec. 14. Minnesota Statutes 2024, section 245.4871, subdivision 3, is amended to read:

217.13 Subd. 3. **Case management services.** "Case management services" means activities
217.14 that are coordinated with the family community support services and are designed to help
217.15 the child with ~~severe emotional disturbance~~ serious mental illness and the child's family
217.16 obtain needed mental health services, social services, educational services, health services,
217.17 vocational services, recreational services, and related services in the areas of volunteer
217.18 services, advocacy, transportation, and legal services. Case management services include
217.19 assisting in obtaining a comprehensive diagnostic assessment, developing an individual
217.20 family community support plan, and assisting the child and the child's family in obtaining
217.21 needed services by coordination with other agencies and assuring continuity of care. Case
217.22 managers must assess and reassess the delivery, appropriateness, and effectiveness of services
217.23 over time.

217.24 Sec. 15. Minnesota Statutes 2024, section 245.4871, subdivision 4, is amended to read:

217.25 Subd. 4. **Case management service provider.** (a) "Case management service provider"
217.26 means a case manager or case manager associate employed by the county or other entity
217.27 authorized by the county board to provide case management services specified in subdivision
217.28 3 for the child with ~~severe emotional disturbance~~ serious mental illness and the child's
217.29 family.

217.30 (b) A case manager must:

217.31 (1) have experience and training in working with children;

218.1 (2) have at least a bachelor's degree in one of the behavioral sciences or a related field
218.2 including, but not limited to, social work, psychology, or nursing from an accredited college
218.3 or university or meet the requirements of paragraph (d);

218.4 (3) have experience and training in identifying and assessing a wide range of children's
218.5 needs;

218.6 (4) be knowledgeable about local community resources and how to use those resources
218.7 for the benefit of children and their families; and

218.8 (5) meet the supervision and continuing education requirements of paragraphs (e), (f),
218.9 and (g), as applicable.

218.10 (c) A case manager may be a member of any professional discipline that is part of the
218.11 local system of care for children established by the county board.

218.12 (d) A case manager without a bachelor's degree must meet one of the requirements in
218.13 clauses (1) to (3):

218.14 (1) have three or four years of experience as a case manager associate;

218.15 (2) be a registered nurse without a bachelor's degree who has a combination of specialized
218.16 training in psychiatry and work experience consisting of community interaction and
218.17 involvement or community discharge planning in a mental health setting totaling three years;
218.18 or

218.19 (3) be a person who qualified as a case manager under the 1998 Department of Human
218.20 Services waiver provision and meets the continuing education, supervision, and mentoring
218.21 requirements in this section.

218.22 (e) A case manager with at least 2,000 hours of supervised experience in the delivery
218.23 of mental health services to children must receive regular ongoing supervision and clinical
218.24 supervision totaling 38 hours per year, of which at least one hour per month must be clinical
218.25 supervision regarding individual service delivery with a case management supervisor. The
218.26 other 26 hours of supervision may be provided by a case manager with two years of
218.27 experience. Group supervision may not constitute more than one-half of the required
218.28 supervision hours.

218.29 (f) A case manager without 2,000 hours of supervised experience in the delivery of
218.30 mental health services to children with ~~emotional disturbance~~ mental illness must:

218.31 (1) begin 40 hours of training approved by the commissioner of human services in case
218.32 management skills and in the characteristics and needs of children with ~~severe emotional~~

219.1 ~~disturbance~~ serious mental illness before beginning to provide case management services;
 219.2 and

219.3 (2) receive clinical supervision regarding individual service delivery from a mental
 219.4 health professional at least one hour each week until the requirement of 2,000 hours of
 219.5 experience is met.

219.6 (g) A case manager who is not licensed, registered, or certified by a health-related
 219.7 licensing board must receive 30 hours of continuing education and training in ~~severe~~
 219.8 ~~emotional disturbance~~ serious mental illness and mental health services every two years.

219.9 (h) Clinical supervision must be documented in the child's record. When the case manager
 219.10 is not a mental health professional, the county board must provide or contract for needed
 219.11 clinical supervision.

219.12 (i) The county board must ensure that the case manager has the freedom to access and
 219.13 coordinate the services within the local system of care that are needed by the child.

219.14 (j) A case manager associate (CMA) must:

219.15 (1) work under the direction of a case manager or case management supervisor;

219.16 (2) be at least 21 years of age;

219.17 (3) have at least a high school diploma or its equivalent; and

219.18 (4) meet one of the following criteria:

219.19 (i) have an associate of arts degree in one of the behavioral sciences or human services;

219.20 (ii) be a registered nurse without a bachelor's degree;

219.21 (iii) have three years of life experience as a primary caregiver to a child with serious
 219.22 ~~emotional disturbance~~ mental illness as defined in subdivision 6 within the previous ten
 219.23 years;

219.24 (iv) have 6,000 hours work experience as a nondegreed state hospital technician; or

219.25 (v) have 6,000 hours of supervised work experience in the delivery of mental health
 219.26 services to children with ~~emotional disturbances~~ mental illness; hours worked as a mental
 219.27 health behavioral aide I or II under section 256B.0943, subdivision 7, may count toward
 219.28 the 6,000 hours of supervised work experience.

219.29 Individuals meeting one of the criteria in items (i) to (iv) may qualify as a case manager
 219.30 after four years of supervised work experience as a case manager associate. Individuals

220.1 meeting the criteria in item (v) may qualify as a case manager after three years of supervised
220.2 experience as a case manager associate.

220.3 (k) Case manager associates must meet the following supervision, mentoring, and
220.4 continuing education requirements;

220.5 (1) have 40 hours of preservice training described under paragraph (f), clause (1);

220.6 (2) receive at least 40 hours of continuing education in ~~severe emotional disturbance~~
220.7 serious mental illness and mental health service annually; and

220.8 (3) receive at least five hours of mentoring per week from a case management mentor.

220.9 A "case management mentor" means a qualified, practicing case manager or case management
220.10 supervisor who teaches or advises and provides intensive training and clinical supervision
220.11 to one or more case manager associates. Mentoring may occur while providing direct services
220.12 to consumers in the office or in the field and may be provided to individuals or groups of
220.13 case manager associates. At least two mentoring hours per week must be individual and
220.14 face-to-face.

220.15 (l) A case management supervisor must meet the criteria for a mental health professional
220.16 as specified in subdivision 27.

220.17 (m) An immigrant who does not have the qualifications specified in this subdivision
220.18 may provide case management services to child immigrants with ~~severe emotional~~
220.19 ~~disturbance~~ serious mental illness of the same ethnic group as the immigrant if the person:

220.20 (1) is currently enrolled in and is actively pursuing credits toward the completion of a
220.21 bachelor's degree in one of the behavioral sciences or related fields at an accredited college
220.22 or university;

220.23 (2) completes 40 hours of training as specified in this subdivision; and

220.24 (3) receives clinical supervision at least once a week until the requirements of obtaining
220.25 a bachelor's degree and 2,000 hours of supervised experience are met.

220.26 Sec. 16. Minnesota Statutes 2024, section 245.4871, subdivision 6, is amended to read:

220.27 Subd. 6. **Child with ~~severe emotional disturbance~~ serious mental illness.** For purposes
220.28 of eligibility for case management and family community support services, "child with
220.29 ~~severe emotional disturbance~~ serious mental illness" means a child who has ~~an emotional~~
220.30 ~~disturbance~~ a mental illness and who meets one of the following criteria:

221.1 (1) the child has been admitted within the last three years or is at risk of being admitted
 221.2 to inpatient treatment or residential treatment for ~~an emotional disturbance~~ a mental illness;
 221.3 or

221.4 (2) the child is a Minnesota resident and is receiving inpatient treatment or residential
 221.5 treatment for ~~an emotional disturbance~~ a mental illness through the interstate compact; or

221.6 (3) the child has one of the following as determined by a mental health professional:

221.7 (i) psychosis or a clinical depression; or

221.8 (ii) risk of harming self or others as a result of ~~an emotional disturbance~~ a mental illness;

221.9 or

221.10 (iii) psychopathological symptoms as a result of being a victim of physical or sexual
 221.11 abuse or of psychic trauma within the past year; or

221.12 (4) the child, as a result of ~~an emotional disturbance~~ a mental illness, has significantly
 221.13 impaired home, school, or community functioning that has lasted at least one year or that,
 221.14 in the written opinion of a mental health professional, presents substantial risk of lasting at
 221.15 least one year.

221.16 Sec. 17. Minnesota Statutes 2024, section 245.4871, subdivision 13, is amended to read:

221.17 Subd. 13. **Education and prevention services.** (a) "Education and prevention services"
 221.18 means services designed to:

221.19 (1) educate the general public;

221.20 (2) increase the understanding and acceptance of problems associated with ~~emotional~~
 221.21 ~~disturbances~~ children's mental illnesses;

221.22 (3) improve people's skills in dealing with high-risk situations known to affect children's
 221.23 mental health and functioning; and

221.24 (4) refer specific children or their families with mental health needs to mental health
 221.25 services.

221.26 (b) The services include distribution to individuals and agencies identified by the county
 221.27 board and the local children's mental health advisory council of information on predictors
 221.28 and symptoms of ~~emotional disturbances~~ mental illnesses, where mental health services are
 221.29 available in the county, and how to access the services.

222.1 Sec. 18. Minnesota Statutes 2024, section 245.4871, subdivision 15, is amended to read:

222.2 Subd. 15. ~~Emotional disturbance~~ **Mental illness.** "~~Emotional disturbance~~" "Mental
222.3 illness" means an organic disorder of the brain or a clinically significant disorder of thought,
222.4 mood, perception, orientation, memory, or behavior that:

222.5 (1) is detailed in a diagnostic codes list published by the commissioner; and

222.6 (2) seriously limits a child's capacity to function in primary aspects of daily living such
222.7 as personal relations, living arrangements, work, school, and recreation.

222.8 "~~Emotional disturbance~~" Mental illness is a generic term and is intended to reflect all
222.9 categories of disorder described in the clinical code list published by the commissioner as
222.10 "usually first evident in childhood or adolescence."

222.11 Sec. 19. Minnesota Statutes 2024, section 245.4871, subdivision 17, is amended to read:

222.12 Subd. 17. **Family community support services.** "Family community support services"
222.13 means services provided under the treatment supervision of a mental health professional
222.14 and designed to help each child with ~~severe emotional disturbance~~ serious mental illness to
222.15 function and remain with the child's family in the community. Family community support
222.16 services do not include acute care hospital inpatient treatment, residential treatment services,
222.17 or regional treatment center services. Family community support services include:

222.18 (1) client outreach to each child with ~~severe emotional disturbance~~ serious mental illness
222.19 and the child's family;

222.20 (2) medication monitoring where necessary;

222.21 (3) assistance in developing independent living skills;

222.22 (4) assistance in developing parenting skills necessary to address the needs of the child
222.23 with ~~severe emotional disturbance~~ serious mental illness;

222.24 (5) assistance with leisure and recreational activities;

222.25 (6) crisis planning, including crisis placement and respite care;

222.26 (7) professional home-based family treatment;

222.27 (8) foster care with therapeutic supports;

222.28 (9) day treatment;

222.29 (10) assistance in locating respite care and special needs day care; and

223.1 (11) assistance in obtaining potential financial resources, including those benefits listed
223.2 in section 245.4884, subdivision 5.

223.3 Sec. 20. Minnesota Statutes 2024, section 245.4871, subdivision 19, is amended to read:

223.4 Subd. 19. **Individual family community support plan.** "Individual family community
223.5 support plan" means a written plan developed by a case manager in conjunction with the
223.6 family and the child with ~~severe emotional disturbance~~ serious mental illness on the basis
223.7 of a diagnostic assessment and a functional assessment. The plan identifies specific services
223.8 needed by a child and the child's family to:

223.9 (1) treat the symptoms and dysfunctions determined in the diagnostic assessment;

223.10 (2) relieve conditions leading to ~~emotional disturbance~~ mental illness and improve the
223.11 personal well-being of the child;

223.12 (3) improve family functioning;

223.13 (4) enhance daily living skills;

223.14 (5) improve functioning in education and recreation settings;

223.15 (6) improve interpersonal and family relationships;

223.16 (7) enhance vocational development; and

223.17 (8) assist in obtaining transportation, housing, health services, and employment.

223.18 Sec. 21. Minnesota Statutes 2024, section 245.4871, subdivision 21, is amended to read:

223.19 Subd. 21. **Individual treatment plan.** (a) "Individual treatment plan" means the
223.20 formulation of planned services that are responsive to the needs and goals of a client. An
223.21 individual treatment plan must be completed according to section 245I.10, subdivisions 7
223.22 and 8.

223.23 (b) A children's residential facility licensed under Minnesota Rules, chapter 2960, is
223.24 exempt from the requirements of section 245I.10, subdivisions 7 and 8. Instead, the individual
223.25 treatment plan must:

223.26 (1) include a written plan of intervention, treatment, and services for a child with ~~an~~
223.27 ~~emotional disturbance~~ a mental illness that the service provider develops under the clinical
223.28 supervision of a mental health professional on the basis of a diagnostic assessment;

223.29 (2) be developed in conjunction with the family unless clinically inappropriate; and

224.1 (3) identify goals and objectives of treatment, treatment strategy, a schedule for
 224.2 accomplishing treatment goals and objectives, and the individuals responsible for providing
 224.3 treatment to the child with ~~an emotional disturbance~~ a mental illness.

224.4 Sec. 22. Minnesota Statutes 2024, section 245.4871, subdivision 22, is amended to read:

224.5 Subd. 22. **Legal representative.** "Legal representative" means a guardian, conservator,
 224.6 or guardian ad litem of a child with ~~an emotional disturbance~~ a mental illness authorized
 224.7 by the court to make decisions about mental health services for the child.

224.8 Sec. 23. Minnesota Statutes 2024, section 245.4871, subdivision 28, is amended to read:

224.9 Subd. 28. **Mental health services.** "Mental health services" means at least all of the
 224.10 treatment services and case management activities that are provided to children with
 224.11 ~~emotional disturbances~~ mental illnesses and are described in sections 245.487 to 245.4889.

224.12 Sec. 24. Minnesota Statutes 2024, section 245.4871, subdivision 29, is amended to read:

224.13 Subd. 29. **Outpatient services.** "Outpatient services" means mental health services,
 224.14 excluding day treatment and community support services programs, provided by or under
 224.15 the treatment supervision of a mental health professional to children with ~~emotional~~
 224.16 ~~disturbances~~ mental illnesses who live outside a hospital. Outpatient services include clinical
 224.17 activities such as individual, group, and family therapy; individual treatment planning;
 224.18 diagnostic assessments; medication management; and psychological testing.

224.19 Sec. 25. Minnesota Statutes 2024, section 245.4871, subdivision 32, is amended to read:

224.20 Subd. 32. **Residential treatment.** "Residential treatment" means a 24-hour-a-day program
 224.21 under the treatment supervision of a mental health professional, in a community residential
 224.22 setting other than an acute care hospital or regional treatment center inpatient unit, that must
 224.23 be licensed as a residential treatment program for children with ~~emotional disturbances~~
 224.24 mental illnesses under Minnesota Rules, parts 2960.0580 to 2960.0700, or other rules adopted
 224.25 by the commissioner.

224.26 Sec. 26. Minnesota Statutes 2024, section 245.4871, subdivision 34, is amended to read:

224.27 Subd. 34. **Therapeutic support of foster care.** "Therapeutic support of foster care"
 224.28 means the mental health training and mental health support services and treatment supervision
 224.29 provided by a mental health professional to foster families caring for children with ~~severe~~
 224.30 ~~emotional disturbance~~ serious mental illnesses to provide a therapeutic family environment

225.1 and support for the child's improved functioning. Therapeutic support of foster care includes
 225.2 services provided under section 256B.0946.

225.3 Sec. 27. Minnesota Statutes 2024, section 245.4873, subdivision 2, is amended to read:

225.4 Subd. 2. **State level; coordination.** The Children's Cabinet, under section 4.045, in
 225.5 consultation with a representative of the Minnesota District Judges Association Juvenile
 225.6 Committee, shall:

225.7 (1) educate each agency about the policies, procedures, funding, and services for children
 225.8 with ~~emotional disturbances~~ mental illnesses of all agencies represented;

225.9 (2) develop mechanisms for interagency coordination on behalf of children with ~~emotional~~
 225.10 ~~disturbances~~ mental illnesses;

225.11 (3) identify barriers including policies and procedures within all agencies represented
 225.12 that interfere with delivery of mental health services for children;

225.13 (4) recommend policy and procedural changes needed to improve development and
 225.14 delivery of mental health services for children in the agency or agencies they represent; and

225.15 (5) identify mechanisms for better use of federal and state funding in the delivery of
 225.16 mental health services for children.

225.17 Sec. 28. Minnesota Statutes 2024, section 245.4875, subdivision 5, is amended to read:

225.18 Subd. 5. **Local children's advisory council.** (a) By October 1, 1989, the county board,
 225.19 individually or in conjunction with other county boards, shall establish a local children's
 225.20 mental health advisory council or children's mental health subcommittee of the existing
 225.21 local mental health advisory council or shall include persons on its existing mental health
 225.22 advisory council who are representatives of children's mental health interests. The following
 225.23 individuals must serve on the local children's mental health advisory council, the children's
 225.24 mental health subcommittee of an existing local mental health advisory council, or be
 225.25 included on an existing mental health advisory council: (1) at least one person who was in
 225.26 a mental health program as a child or adolescent; (2) at least one parent of a child or
 225.27 adolescent with ~~severe emotional disturbance~~ serious mental illness; (3) one children's
 225.28 mental health professional; (4) representatives of minority populations of significant size
 225.29 residing in the county; (5) a representative of the children's mental health local coordinating
 225.30 council; and (6) one family community support services program representative.

225.31 (b) The local children's mental health advisory council or children's mental health
 225.32 subcommittee of an existing advisory council shall seek input from parents, former

226.1 consumers, providers, and others about the needs of children with ~~emotional disturbance~~
 226.2 mental illness in the local area and services needed by families of these children, and shall
 226.3 meet monthly, unless otherwise determined by the council or subcommittee, but not less
 226.4 than quarterly, to review, evaluate, and make recommendations regarding the local children's
 226.5 mental health system. Annually, the local children's mental health advisory council or
 226.6 children's mental health subcommittee of the existing local mental health advisory council
 226.7 shall:

226.8 (1) arrange for input from the local system of care providers regarding coordination of
 226.9 care between the services;

226.10 (2) identify for the county board the individuals, providers, agencies, and associations
 226.11 as specified in section 245.4877, clause (2); and

226.12 (3) provide to the county board a report of unmet mental health needs of children residing
 226.13 in the county.

226.14 (c) The county board shall consider the advice of its local children's mental health
 226.15 advisory council or children's mental health subcommittee of the existing local mental health
 226.16 advisory council in carrying out its authorities and responsibilities.

226.17 Sec. 29. Minnesota Statutes 2024, section 245.4876, subdivision 4, is amended to read:

226.18 Subd. 4. **Referral for case management.** Each provider of emergency services, outpatient
 226.19 treatment, community support services, family community support services, day treatment
 226.20 services, screening under section 245.4885, professional home-based family treatment
 226.21 services, residential treatment facilities, acute care hospital inpatient treatment facilities, or
 226.22 regional treatment center services must inform each child with ~~severe emotional disturbance~~
 226.23 serious mental illness, and the child's parent or legal representative, of the availability and
 226.24 potential benefits to the child of case management. The information shall be provided as
 226.25 specified in subdivision 5. If consent is obtained according to subdivision 5, the provider
 226.26 must refer the child by notifying the county employee designated by the county board to
 226.27 coordinate case management activities of the child's name and address and by informing
 226.28 the child's family of whom to contact to request case management. The provider must
 226.29 document compliance with this subdivision in the child's record. The parent or child may
 226.30 directly request case management even if there has been no referral.

227.1 Sec. 30. Minnesota Statutes 2024, section 245.4876, subdivision 5, is amended to read:

227.2 Subd. 5. **Consent for services or for release of information.** (a) Although sections
227.3 245.487 to 245.4889 require each county board, within the limits of available resources, to
227.4 make the mental health services listed in those sections available to each child residing in
227.5 the county who needs them, the county board shall not provide any services, either directly
227.6 or by contract, unless consent to the services is obtained under this subdivision. The case
227.7 manager assigned to a child with a ~~severe emotional disturbance~~ serious mental illness shall
227.8 not disclose to any person other than the case manager's immediate supervisor and the mental
227.9 health professional providing clinical supervision of the case manager information on the
227.10 child, the child's family, or services provided to the child or the child's family without
227.11 informed written consent unless required to do so by statute or under the Minnesota
227.12 Government Data Practices Act. Informed written consent must comply with section 13.05,
227.13 subdivision 4, paragraph (d), and specify the purpose and use for which the case manager
227.14 may disclose the information.

227.15 (b) The consent or authorization must be obtained from the child's parent unless: (1) the
227.16 parental rights are terminated; or (2) consent is otherwise provided under sections 144.341
227.17 to 144.347; 253B.04, subdivision 1; 260C.148; 260C.151; and 260C.201, subdivision 1,
227.18 the terms of appointment of a court-appointed guardian or conservator, or federal regulations
227.19 governing substance use disorder services.

227.20 Sec. 31. Minnesota Statutes 2024, section 245.4877, is amended to read:

227.21 **245.4877 EDUCATION AND PREVENTION SERVICES.**

227.22 Education and prevention services must be available to all children residing in the county.
227.23 Education and prevention services must be designed to:

227.24 (1) convey information regarding ~~emotional disturbances~~ mental illnesses, mental health
227.25 needs, and treatment resources to the general public;

227.26 (2) at least annually, distribute to individuals and agencies identified by the county board
227.27 and the local children's mental health advisory council information on predictors and
227.28 symptoms of ~~emotional disturbances~~ mental illnesses, where mental health services are
227.29 available in the county, and how to access the services;

227.30 (3) increase understanding and acceptance of problems associated with ~~emotional~~
227.31 ~~disturbances~~ mental illnesses;

227.32 (4) improve people's skills in dealing with high-risk situations known to affect children's
227.33 mental health and functioning;

- 228.1 (5) prevent development or deepening of ~~emotional disturbances~~ mental illnesses; and
- 228.2 (6) refer each child with ~~emotional disturbance~~ mental illness or the child's family with
- 228.3 additional mental health needs to appropriate mental health services.

228.4 Sec. 32. Minnesota Statutes 2024, section 245.488, subdivision 1, is amended to read:

228.5 Subdivision 1. **Availability of outpatient services.** (a) County boards must provide or

228.6 contract for enough outpatient services within the county to meet the needs of each child

228.7 with ~~emotional disturbance~~ mental illness residing in the county and the child's family.

228.8 Services may be provided directly by the county through county-operated mental health

228.9 clinics meeting the standards of chapter 245I; by contract with privately operated mental

228.10 health clinics meeting the standards of chapter 245I; by contract with hospital mental health

228.11 outpatient programs certified by the Joint Commission on Accreditation of Hospital

228.12 Organizations; or by contract with a mental health professional. A child or a child's parent

228.13 may be required to pay a fee based in accordance with section 245.481. Outpatient services

228.14 include:

- 228.15 (1) conducting diagnostic assessments;
- 228.16 (2) conducting psychological testing;
- 228.17 (3) developing or modifying individual treatment plans;
- 228.18 (4) making referrals and recommending placements as appropriate;
- 228.19 (5) treating the child's mental health needs through therapy; and
- 228.20 (6) prescribing and managing medication and evaluating the effectiveness of prescribed
- 228.21 medication.

228.22 (b) County boards may request a waiver allowing outpatient services to be provided in

228.23 a nearby trade area if it is determined that the child requires necessary and appropriate

228.24 services that are only available outside the county.

228.25 (c) Outpatient services offered by the county board to prevent placement must be at the

228.26 level of treatment appropriate to the child's diagnostic assessment.

228.27 Sec. 33. Minnesota Statutes 2024, section 245.488, subdivision 3, is amended to read:

228.28 Subd. 3. **Mental health crisis services.** County boards must provide or contract for

228.29 mental health crisis services within the county to meet the needs of children with ~~emotional~~

228.30 ~~disturbance~~ mental illness residing in the county who are determined, through an assessment

228.31 by a mental health professional, to be experiencing a mental health crisis or mental health

229.1 emergency. The mental health crisis services provided must be medically necessary, as
229.2 defined in section 62Q.53, subdivision 2, and necessary for the safety of the child or others
229.3 regardless of the setting.

229.4 Sec. 34. Minnesota Statutes 2024, section 245.4881, subdivision 1, is amended to read:

229.5 Subdivision 1. **Availability of case management services.** (a) The county board shall
229.6 provide case management services for each child with ~~severe emotional disturbance~~ serious
229.7 mental illness who is a resident of the county and the child's family who request or consent
229.8 to the services. Case management services must be offered to a child with a serious ~~emotional~~
229.9 ~~disturbance~~ mental illness who is over the age of 18 consistent with section 245.4875,
229.10 subdivision 8, or the child's legal representative, provided the child's service needs can be
229.11 met within the children's service system. Before discontinuing case management services
229.12 under this subdivision for children between the ages of 17 and 21, a transition plan must be
229.13 developed. The transition plan must be developed with the child and, with the consent of a
229.14 child age 18 or over, the child's parent, guardian, or legal representative. The transition plan
229.15 should include plans for health insurance, housing, education, employment, and treatment.
229.16 Staffing ratios must be sufficient to serve the needs of the clients. The case manager must
229.17 meet the requirements in section 245.4871, subdivision 4.

229.18 (b) Except as permitted by law and the commissioner under demonstration projects, case
229.19 management services provided to children with ~~severe emotional disturbance~~ serious mental
229.20 illness eligible for medical assistance must be billed to the medical assistance program under
229.21 sections 256B.02, subdivision 8, and 256B.0625.

229.22 (c) Case management services are eligible for reimbursement under the medical assistance
229.23 program. Costs of mentoring, supervision, and continuing education may be included in the
229.24 reimbursement rate methodology used for case management services under the medical
229.25 assistance program.

229.26 Sec. 35. Minnesota Statutes 2024, section 245.4881, subdivision 4, is amended to read:

229.27 Subd. 4. **Individual family community support plan.** (a) For each child, the case
229.28 manager must develop an individual family community support plan that incorporates the
229.29 child's individual treatment plan. The individual treatment plan may not be a substitute for
229.30 the development of an individual family community support plan. The case manager is
229.31 responsible for developing the individual family community support plan within 30 days
229.32 of intake based on a diagnostic assessment and for implementing and monitoring the delivery
229.33 of services according to the individual family community support plan. The case manager

230.1 must review the plan at least every 180 calendar days after it is developed, unless the case
 230.2 manager has received a written request from the child's family or an advocate for the child
 230.3 for a review of the plan every 90 days after it is developed. To the extent appropriate, the
 230.4 child with ~~severe emotional disturbance~~ serious mental illness, the child's family, advocates,
 230.5 service providers, and significant others must be involved in all phases of development and
 230.6 implementation of the individual family community support plan. Notwithstanding the lack
 230.7 of an individual family community support plan, the case manager shall assist the child and
 230.8 child's family in accessing the needed services listed in section 245.4884, subdivision 1.

230.9 (b) The child's individual family community support plan must state:

230.10 (1) the goals and expected outcomes of each service and criteria for evaluating the
 230.11 effectiveness and appropriateness of the service;

230.12 (2) the activities for accomplishing each goal;

230.13 (3) a schedule for each activity; and

230.14 (4) the frequency of face-to-face contacts by the case manager, as appropriate to client
 230.15 need and the implementation of the individual family community support plan.

230.16 Sec. 36. Minnesota Statutes 2024, section 245.4882, subdivision 1, is amended to read:

230.17 Subdivision 1. **Availability of residential treatment services.** County boards must
 230.18 provide or contract for enough residential treatment services to meet the needs of each child
 230.19 with ~~severe emotional disturbance~~ serious mental illness residing in the county and needing
 230.20 this level of care. Length of stay is based on the child's residential treatment need and shall
 230.21 be reviewed every 90 days. Services must be appropriate to the child's age and treatment
 230.22 needs and must be made available as close to the county as possible. Residential treatment
 230.23 must be designed to:

230.24 (1) help the child improve family living and social interaction skills;

230.25 (2) help the child gain the necessary skills to return to the community;

230.26 (3) stabilize crisis admissions; and

230.27 (4) work with families throughout the placement to improve the ability of the families
 230.28 to care for children with ~~severe emotional disturbance~~ serious mental illness in the home.

230.29 Sec. 37. Minnesota Statutes 2024, section 245.4882, subdivision 5, is amended to read:

230.30 Subd. 5. **Specialized residential treatment services.** The commissioner of human
 230.31 services shall continue efforts to further interagency collaboration to develop a comprehensive

231.1 system of services, including family community support and specialized residential treatment
 231.2 services for children. The services shall be designed for children with ~~emotional disturbance~~
 231.3 mental illness who exhibit violent or destructive behavior and for whom local treatment
 231.4 services are not feasible due to the small number of children statewide who need the services
 231.5 and the specialized nature of the services required. The services shall be located in community
 231.6 settings.

231.7 Sec. 38. Minnesota Statutes 2024, section 245.4884, is amended to read:

231.8 **245.4884 FAMILY COMMUNITY SUPPORT SERVICES.**

231.9 Subdivision 1. **Availability of family community support services.** By July 1, 1991,
 231.10 county boards must provide or contract for sufficient family community support services
 231.11 within the county to meet the needs of each child with ~~severe emotional disturbance~~ serious
 231.12 mental illness who resides in the county and the child's family. Children or their parents
 231.13 may be required to pay a fee in accordance with section 245.481.

231.14 Family community support services must be designed to improve the ability of children
 231.15 with ~~severe emotional disturbance~~ serious mental illness to:

- 231.16 (1) manage basic activities of daily living;
- 231.17 (2) function appropriately in home, school, and community settings;
- 231.18 (3) participate in leisure time or community youth activities;
- 231.19 (4) set goals and plans;
- 231.20 (5) reside with the family in the community;
- 231.21 (6) participate in after-school and summer activities;
- 231.22 (7) make a smooth transition among mental health and education services provided to
 231.23 children; and
- 231.24 (8) make a smooth transition into the adult mental health system as appropriate.

231.25 In addition, family community support services must be designed to improve overall
 231.26 family functioning if clinically appropriate to the child's needs, and to reduce the need for
 231.27 and use of placements more intensive, costly, or restrictive both in the number of admissions
 231.28 and lengths of stay than indicated by the child's diagnostic assessment.

231.29 The commissioner of human services shall work with mental health professionals to
 231.30 develop standards for clinical supervision of family community support services. These

232.1 standards shall be incorporated in rule and in guidelines for grants for family community
232.2 support services.

232.3 Subd. 2. **Day treatment services provided.** (a) Day treatment services must be part of
232.4 the family community support services available to each child with ~~severe emotional~~
232.5 ~~disturbance~~ serious mental illness residing in the county. A child or the child's parent may
232.6 be required to pay a fee according to section 245.481. Day treatment services must be
232.7 designed to:

232.8 (1) provide a structured environment for treatment;

232.9 (2) provide support for residing in the community;

232.10 (3) prevent placements that are more intensive, costly, or restrictive than necessary to
232.11 meet the child's need;

232.12 (4) coordinate with or be offered in conjunction with the child's education program;

232.13 (5) provide therapy and family intervention for children that are coordinated with
232.14 education services provided and funded by schools; and

232.15 (6) operate during all 12 months of the year.

232.16 (b) County boards may request a waiver from including day treatment services if they
232.17 can document that:

232.18 (1) alternative services exist through the county's family community support services
232.19 for each child who would otherwise need day treatment services; and

232.20 (2) county demographics and geography make the provision of day treatment services
232.21 cost ineffective and unfeasible.

232.22 Subd. 3. **Professional home-based family treatment provided.** (a) By January 1, 1991,
232.23 county boards must provide or contract for sufficient professional home-based family
232.24 treatment within the county to meet the needs of each child with ~~severe emotional disturbance~~
232.25 serious mental illness who is at risk of ~~out-of-home placement~~ residential treatment or
232.26 therapeutic foster care due to the child's ~~emotional disturbance~~ mental illness or who is
232.27 returning to the home from ~~out-of-home placement~~ residential treatment or therapeutic
232.28 foster care. The child or the child's parent may be required to pay a fee according to section
232.29 245.481. The county board shall require that all service providers of professional home-based
232.30 family treatment set fee schedules approved by the county board that are based on the child's
232.31 or family's ability to pay. The professional home-based family treatment must be designed
232.32 to assist each child with ~~severe emotional disturbance~~ serious mental illness who is at risk

233.1 of or who is returning from ~~out-of-home placement~~ residential treatment or therapeutic
 233.2 foster care and the child's family to:

233.3 (1) improve overall family functioning in all areas of life;

233.4 (2) treat the child's symptoms of ~~emotional disturbance~~ mental illness that contribute to
 233.5 a risk of ~~out-of-home placement~~ residential treatment or therapeutic foster care;

233.6 (3) provide a positive change in the emotional, behavioral, and mental well-being of
 233.7 children and their families; and

233.8 (4) reduce risk of ~~out-of-home placement~~ residential treatment or therapeutic foster care
 233.9 for the identified child with ~~severe emotional disturbance~~ serious mental illness and other
 233.10 siblings or successfully reunify and reintegrate into the family a child returning from
 233.11 ~~out-of-home placement~~ residential treatment or therapeutic foster care due to ~~emotional~~
 233.12 ~~disturbance~~ mental illness.

233.13 (b) Professional home-based family treatment must be provided by a team consisting of
 233.14 a mental health professional and others who are skilled in the delivery of mental health
 233.15 services to children and families in conjunction with other human service providers. The
 233.16 professional home-based family treatment team must maintain flexible hours of service
 233.17 availability and must provide or arrange for crisis services for each family, 24 hours a day,
 233.18 seven days a week. Case loads for each professional home-based family treatment team
 233.19 must be small enough to permit the delivery of intensive services and to meet the needs of
 233.20 the family. Professional home-based family treatment providers shall coordinate services
 233.21 and service needs with case managers assigned to children and their families. The treatment
 233.22 team must develop an individual treatment plan that identifies the specific treatment
 233.23 objectives for both the child and the family.

233.24 Subd. 4. **Therapeutic support of foster care.** By January 1, 1992, county boards must
 233.25 provide or contract for foster care with therapeutic support as defined in section 245.4871,
 233.26 subdivision 34. Foster families caring for children with ~~severe emotional disturbance~~ serious
 233.27 mental illness must receive training and supportive services, as necessary, at no cost to the
 233.28 foster families within the limits of available resources.

233.29 Subd. 5. **Benefits assistance.** The county board must offer help to a child with ~~severe~~
 233.30 ~~emotional disturbance~~ serious mental illness and the child's family in applying for federal
 233.31 benefits, including Supplemental Security Income, medical assistance, and Medicare.

234.1 Sec. 39. Minnesota Statutes 2024, section 245.4885, subdivision 1, is amended to read:

234.2 Subdivision 1. **Admission criteria.** (a) Prior to admission or placement, except in the
234.3 case of an emergency, all children referred for treatment of ~~severe emotional disturbance~~
234.4 serious mental illness in a treatment foster care setting, residential treatment facility, or
234.5 informally admitted to a regional treatment center shall undergo an assessment to determine
234.6 the appropriate level of care if county funds are used to pay for the child's services. An
234.7 emergency includes when a child is in need of and has been referred for crisis stabilization
234.8 services under section 245.4882, subdivision 6. A child who has been referred to residential
234.9 treatment for crisis stabilization services in a residential treatment center is not required to
234.10 undergo an assessment under this section.

234.11 (b) The county board shall determine the appropriate level of care for a child when
234.12 county-controlled funds are used to pay for the child's residential treatment under this
234.13 chapter, including residential treatment provided in a qualified residential treatment program
234.14 as defined in section 260C.007, subdivision 26d. When a county board does not have
234.15 responsibility for a child's placement and the child is enrolled in a prepaid health program
234.16 under section 256B.69, the enrolled child's contracted health plan must determine the
234.17 appropriate level of care for the child. When Indian Health Services funds or funds of a
234.18 tribally owned facility funded under the Indian Self-Determination and Education Assistance
234.19 Act, Public Law 93-638, are used for the child, the Indian Health Services or 638 tribal
234.20 health facility must determine the appropriate level of care for the child. When more than
234.21 one entity bears responsibility for a child's coverage, the entities shall coordinate level of
234.22 care determination activities for the child to the extent possible.

234.23 (c) The child's level of care determination shall determine whether the proposed treatment:

234.24 (1) is necessary;

234.25 (2) is appropriate to the child's individual treatment needs;

234.26 (3) cannot be effectively provided in the child's home; and

234.27 (4) provides a length of stay as short as possible consistent with the individual child's
234.28 needs.

234.29 (d) When a level of care determination is conducted, the county board or other entity
234.30 may not determine that a screening of a child, referral, or admission to a residential treatment
234.31 facility is not appropriate solely because services were not first provided to the child in a
234.32 less restrictive setting and the child failed to make progress toward or meet treatment goals
234.33 in the less restrictive setting. The level of care determination must be based on a diagnostic

235.1 assessment of a child that evaluates the child's family, school, and community living
235.2 situations; and an assessment of the child's need for care out of the home using a validated
235.3 tool which assesses a child's functional status and assigns an appropriate level of care to the
235.4 child. The validated tool must be approved by the commissioner of human services and
235.5 may be the validated tool approved for the child's assessment under section 260C.704 if the
235.6 juvenile treatment screening team recommended placement of the child in a qualified
235.7 residential treatment program. If a diagnostic assessment has been completed by a mental
235.8 health professional within the past 180 days, a new diagnostic assessment need not be
235.9 completed unless in the opinion of the current treating mental health professional the child's
235.10 mental health status has changed markedly since the assessment was completed. The child's
235.11 parent shall be notified if an assessment will not be completed and of the reasons. A copy
235.12 of the notice shall be placed in the child's file. Recommendations developed as part of the
235.13 level of care determination process shall include specific community services needed by
235.14 the child and, if appropriate, the child's family, and shall indicate whether these services
235.15 are available and accessible to the child and the child's family. The child and the child's
235.16 family must be invited to any meeting where the level of care determination is discussed
235.17 and decisions regarding residential treatment are made. The child and the child's family
235.18 may invite other relatives, friends, or advocates to attend these meetings.

235.19 (e) During the level of care determination process, the child, child's family, or child's
235.20 legal representative, as appropriate, must be informed of the child's eligibility for case
235.21 management services and family community support services and that an individual family
235.22 community support plan is being developed by the case manager, if assigned.

235.23 (f) The level of care determination, placement decision, and recommendations for mental
235.24 health services must be documented in the child's record and made available to the child's
235.25 family, as appropriate.

235.26 Sec. 40. Minnesota Statutes 2024, section 245.4889, subdivision 1, is amended to read:

235.27 Subdivision 1. **Establishment and authority.** (a) The commissioner is authorized to
235.28 make grants from available appropriations to assist:

235.29 (1) counties;

235.30 (2) Indian tribes;

235.31 (3) children's collaboratives under section 142D.15 or 245.493; or

235.32 (4) mental health service providers.

235.33 (b) The following services are eligible for grants under this section:

- 236.1 (1) services to children with ~~emotional disturbances~~ mental illness as defined in section
236.2 245.4871, subdivision 15, and their families;
- 236.3 (2) transition services under section 245.4875, subdivision 8, for young adults under
236.4 age 21 and their families;
- 236.5 (3) respite care services for children with ~~emotional disturbances~~ mental illness or ~~severe~~
236.6 ~~emotional disturbances~~ serious mental illness who are at risk of residential treatment or
236.7 hospitalization; who are already in ~~out-of-home placement~~ residential treatment, therapeutic
236.8 foster care, or in family foster settings as defined in chapter 142B and at risk of change in
236.9 ~~out-of-home placement~~ foster care or placement in a residential facility or other higher level
236.10 of care; who have utilized crisis services or emergency room services; or who have
236.11 experienced a loss of in-home staffing support. Allowable activities and expenses for respite
236.12 care services are defined under subdivision 4. A child is not required to have case
236.13 management services to receive respite care services. Counties must work to provide access
236.14 to regularly scheduled respite care;
- 236.15 (4) children's mental health crisis services;
- 236.16 (5) child-, youth-, and family-specific mobile response and stabilization services models;
- 236.17 (6) mental health services for people from cultural and ethnic minorities, including
236.18 supervision of clinical trainees who are Black, indigenous, or people of color;
- 236.19 (7) children's mental health screening and follow-up diagnostic assessment and treatment;
- 236.20 (8) services to promote and develop the capacity of providers to use evidence-based
236.21 practices in providing children's mental health services;
- 236.22 (9) school-linked mental health services under section 245.4901;
- 236.23 (10) building evidence-based mental health intervention capacity for children birth to
236.24 age five;
- 236.25 (11) suicide prevention and counseling services that use text messaging statewide;
- 236.26 (12) mental health first aid training;
- 236.27 (13) training for parents, collaborative partners, and mental health providers on the
236.28 impact of adverse childhood experiences and trauma and development of an interactive
236.29 website to share information and strategies to promote resilience and prevent trauma;
- 236.30 (14) transition age services to develop or expand mental health treatment and supports
236.31 for adolescents and young adults 26 years of age or younger;

- 237.1 (15) early childhood mental health consultation;
- 237.2 (16) evidence-based interventions for youth at risk of developing or experiencing a first
237.3 episode of psychosis, and a public awareness campaign on the signs and symptoms of
237.4 psychosis;
- 237.5 (17) psychiatric consultation for primary care practitioners; and
- 237.6 (18) providers to begin operations and meet program requirements when establishing a
237.7 new children's mental health program. These may be start-up grants.
- 237.8 (c) Services under paragraph (b) must be designed to help each child to function and
237.9 remain with the child's family in the community and delivered consistent with the child's
237.10 treatment plan. Transition services to eligible young adults under this paragraph must be
237.11 designed to foster independent living in the community.
- 237.12 (d) As a condition of receiving grant funds, a grantee shall obtain all available third-party
237.13 reimbursement sources, if applicable.
- 237.14 (e) The commissioner may establish and design a pilot program to expand the mobile
237.15 response and stabilization services model for children, youth, and families. The commissioner
237.16 may use grant funding to consult with a qualified expert entity to assist in the formulation
237.17 of measurable outcomes and explore and position the state to submit a Medicaid state plan
237.18 amendment to scale the model statewide.
- 237.19 Sec. 41. Minnesota Statutes 2024, section 245.4907, subdivision 2, is amended to read:
- 237.20 Subd. 2. **Eligible applicants.** An eligible applicant is a licensed entity or provider that
237.21 employs a mental health certified peer family specialist qualified under section 245I.04,
237.22 subdivision 12, and that provides services to families who have a child:
- 237.23 (1) with ~~an emotional disturbance~~ a mental illness or ~~severe emotional disturbance~~ serious
237.24 mental illness under chapter 245;
- 237.25 (2) receiving inpatient hospitalization under section 256B.0625, subdivision 1;
- 237.26 (3) admitted to a residential treatment facility under section 245.4882;
- 237.27 (4) receiving children's intensive behavioral health services under section 256B.0946;
- 237.28 (5) receiving day treatment or children's therapeutic services and supports under section
237.29 256B.0943; or
- 237.30 (6) receiving crisis response services under section 256B.0624.

238.1 Sec. 42. Minnesota Statutes 2024, section 245.491, subdivision 2, is amended to read:

238.2 Subd. 2. **Purpose.** The legislature finds that children with mental illnesses or emotional
238.3 or behavioral disturbances or who are at risk of suffering such disturbances often require
238.4 services from multiple service systems including mental health, social services, education,
238.5 corrections, juvenile court, health, and employment and economic development. In order
238.6 to better meet the needs of these children, it is the intent of the legislature to establish an
238.7 integrated children's mental health service system that:

238.8 (1) allows local service decision makers to draw funding from a single local source so
238.9 that funds follow clients and eliminates the need to match clients, funds, services, and
238.10 provider eligibilities;

238.11 (2) creates a local pool of state, local, and private funds to procure a greater medical
238.12 assistance federal financial participation;

238.13 (3) improves the efficiency of use of existing resources;

238.14 (4) minimizes or eliminates the incentives for cost and risk shifting; and

238.15 (5) increases the incentives for earlier identification and intervention.

238.16 The children's mental health integrated fund established under sections 245.491 to 245.495
238.17 must be used to develop and support this integrated mental health service system. In
238.18 developing this integrated service system, it is not the intent of the legislature to limit any
238.19 rights available to children and their families through existing federal and state laws.

238.20 Sec. 43. Minnesota Statutes 2024, section 245.492, subdivision 3, is amended to read:

238.21 Subd. 3. **Children with emotional or behavioral disturbances.** "Children with
238.22 emotional or behavioral disturbances" includes children with ~~emotional disturbances~~ mental
238.23 illnesses as defined in section 245.4871, subdivision 15, and children with emotional or
238.24 behavioral disorders as defined in Minnesota Rules, part 3525.1329, subpart 1.

238.25 Sec. 44. Minnesota Statutes 2024, section 245.697, subdivision 2a, is amended to read:

238.26 Subd. 2a. **Subcommittee on Children's Mental Health.** The State Advisory Council
238.27 on Mental Health (the "advisory council") must have a Subcommittee on Children's Mental
238.28 Health. The subcommittee must make recommendations to the advisory council on policies,
238.29 laws, regulations, and services relating to children's mental health. Members of the
238.30 subcommittee must include:

- 239.1 (1) the commissioners or designees of the commissioners of the Departments of Human
 239.2 Services, Health, Education, State Planning, and Corrections;
- 239.3 (2) a designee of the Direct Care and Treatment executive board;
- 239.4 (3) the commissioner of commerce or a designee of the commissioner who is
 239.5 knowledgeable about medical insurance issues;
- 239.6 (4) at least one representative of an advocacy group for children with ~~emotional~~
 239.7 ~~disturbances~~ mental illnesses;
- 239.8 (5) providers of children's mental health services, including at least one provider of
 239.9 services to preadolescent children, one provider of services to adolescents, and one
 239.10 hospital-based provider;
- 239.11 (6) parents of children who have ~~emotional disturbances~~ mental illnesses;
- 239.12 (7) a present or former consumer of adolescent mental health services;
- 239.13 (8) educators currently working with ~~emotionally disturbed~~ children with mental illnesses;
- 239.14 (9) people knowledgeable about the needs of ~~emotionally disturbed~~ children with mental
 239.15 illnesses of minority races and cultures;
- 239.16 (10) people experienced in working with ~~emotionally disturbed~~ children with mental
 239.17 illnesses who have committed status offenses;
- 239.18 (11) members of the advisory council;
- 239.19 (12) one person from the local corrections department and one representative of the
 239.20 Minnesota District Judges Association Juvenile Committee; and
- 239.21 (13) county commissioners and social services agency representatives.
- 239.22 The chair of the advisory council shall appoint subcommittee members described in
 239.23 clauses (4) to (12) through the process established in section 15.0597. The chair shall appoint
 239.24 members to ensure a geographical balance on the subcommittee. Terms, compensation,
 239.25 removal, and filling of vacancies are governed by subdivision 1, except that terms of
 239.26 subcommittee members who are also members of the advisory council are coterminous with
 239.27 their terms on the advisory council. The subcommittee shall meet at the call of the
 239.28 subcommittee chair who is elected by the subcommittee from among its members. The
 239.29 subcommittee expires with the expiration of the advisory council.

240.1 Sec. 45. Minnesota Statutes 2024, section 245.814, subdivision 3, is amended to read:

240.2 Subd. 3. **Compensation provisions.** (a) If the commissioner of human services is unable
240.3 to obtain insurance through ordinary methods for coverage of foster home providers, the
240.4 appropriation shall be returned to the general fund and the state shall pay claims subject to
240.5 the following limitations.

240.6 ~~(a)~~ (b) Compensation shall be provided only for injuries, damage, or actions set forth in
240.7 subdivision 1.

240.8 ~~(b)~~ (c) Compensation shall be subject to the conditions and exclusions set forth in
240.9 subdivision 2.

240.10 ~~(c)~~ (d) The state shall provide compensation for bodily injury, property damage, or
240.11 personal injury resulting from the foster home providers activities as a foster home provider
240.12 while the foster child or adult is in the care, custody, and control of the foster home provider
240.13 in an amount not to exceed \$250,000 for each occurrence.

240.14 ~~(d)~~ (e) The state shall provide compensation for damage or destruction of property caused
240.15 or sustained by a foster child or adult in an amount not to exceed \$250 for each occurrence.

240.16 ~~(e)~~ (f) The compensation in paragraphs ~~(c)~~ and (d) and (e) is the total obligation for all
240.17 damages because of each occurrence regardless of the number of claims made in connection
240.18 with the same occurrence, but compensation applies separately to each foster home. The
240.19 state shall have no other responsibility to provide compensation for any injury or loss caused
240.20 or sustained by any foster home provider or foster child or foster adult.

240.21 (g) This coverage is extended as a benefit to foster home providers to encourage care
240.22 of persons who need ~~out-of-home~~ the providers' care. Nothing in this section shall be
240.23 construed to mean that foster home providers are agents or employees of the state nor does
240.24 the state accept any responsibility for the selection, monitoring, supervision, or control of
240.25 foster home providers which is exclusively the responsibility of the counties which shall
240.26 regulate foster home providers in the manner set forth in the rules of the commissioner of
240.27 human services.

241.1 Sec. 46. Minnesota Statutes 2024, section 245.826, is amended to read:

241.2 **245.826 USE OF RESTRICTIVE TECHNIQUES AND PROCEDURES IN**
 241.3 **FACILITIES SERVING ~~EMOTIONALLY DISTURBED~~ CHILDREN WITH**
 241.4 **MENTAL ILLNESSES.**

241.5 When amending rules governing facilities serving ~~emotionally disturbed~~ children with
 241.6 mental illnesses that are licensed under section 245A.09 and Minnesota Rules, parts
 241.7 2960.0510 to 2960.0530 and 2960.0580 to 2960.0700, the commissioner of human services
 241.8 shall include provisions governing the use of restrictive techniques and procedures. No
 241.9 provision of these rules may encourage or require the use of restrictive techniques and
 241.10 procedures. The rules must prohibit: (1) the application of certain restrictive techniques or
 241.11 procedures in facilities, except as authorized in the child's case plan and monitored by the
 241.12 county caseworker responsible for the child; (2) the use of restrictive techniques or procedures
 241.13 that restrict the clients' normal access to nutritious diet, drinking water, adequate ventilation,
 241.14 necessary medical care, ordinary hygiene facilities, normal sleeping conditions, and necessary
 241.15 clothing; and (3) the use of corporal punishment. The rule may specify other restrictive
 241.16 techniques and procedures and the specific conditions under which permitted techniques
 241.17 and procedures are to be carried out.

241.18 Sec. 47. Minnesota Statutes 2024, section 245.91, subdivision 2, is amended to read:

241.19 Subd. 2. **Agency.** "Agency" means the divisions, officials, or employees of the state
 241.20 Departments of Human Services, Direct Care and Treatment, Health, and Education, and
 241.21 of local school districts and designated county social service agencies as defined in section
 241.22 256G.02, subdivision 7, that are engaged in monitoring, providing, or regulating services
 241.23 or treatment for mental illness, developmental disability, or substance use disorder, ~~or~~
 241.24 ~~emotional disturbance.~~

241.25 Sec. 48. Minnesota Statutes 2024, section 245.91, subdivision 4, is amended to read:

241.26 Subd. 4. **Facility or program.** "Facility" or "program" means a nonresidential or
 241.27 residential program as defined in section 245A.02, subdivisions 10 and 14, and any agency,
 241.28 facility, or program that provides services or treatment for mental illness, developmental
 241.29 disability, or substance use disorder, ~~or emotional disturbance~~ that is required to be licensed,
 241.30 certified, or registered by the commissioner of human services, health, or education; a sober
 241.31 home as defined in section 254B.01, subdivision 11; peer recovery support services provided
 241.32 by a recovery community organization as defined in section 254B.01, subdivision 8; and

242.1 an acute care inpatient facility that provides services or treatment for mental illness,
 242.2 developmental disability, or substance use disorder, ~~or emotional disturbance.~~

242.3 Sec. 49. Minnesota Statutes 2024, section 245.92, is amended to read:

242.4 **245.92 OFFICE OF OMBUDSMAN; CREATION; QUALIFICATIONS;**
 242.5 **FUNCTION.**

242.6 The ombudsman for persons receiving services or treatment for mental illness,
 242.7 developmental disability, or substance use disorder, ~~or emotional disturbance~~ shall promote
 242.8 the highest attainable standards of treatment, competence, efficiency, and justice. The
 242.9 ombudsman may gather information and data about decisions, acts, and other matters of an
 242.10 agency, facility, or program, and shall monitor the treatment of individuals participating in
 242.11 a University of Minnesota Department of Psychiatry clinical drug trial. The ombudsman is
 242.12 appointed by the governor, serves in the unclassified service, and may be removed only for
 242.13 just cause. The ombudsman must be selected without regard to political affiliation and must
 242.14 be a person who has knowledge and experience concerning the treatment, needs, and rights
 242.15 of clients, and who is highly competent and qualified. No person may serve as ombudsman
 242.16 while holding another public office.

242.17 Sec. 50. Minnesota Statutes 2024, section 245.94, subdivision 1, is amended to read:

242.18 Subdivision 1. **Powers.** (a) The ombudsman may prescribe the methods by which
 242.19 complaints to the office are to be made, reviewed, and acted upon. The ombudsman may
 242.20 not levy a complaint fee.

242.21 (b) The ombudsman is a health oversight agency as defined in Code of Federal
 242.22 Regulations, title 45, section 164.501. The ombudsman may access patient records according
 242.23 to Code of Federal Regulations, title 42, section 2.53. For purposes of this paragraph,
 242.24 "records" has the meaning given in Code of Federal Regulations, title 42, section
 242.25 2.53(a)(1)(i).

242.26 (c) The ombudsman may mediate or advocate on behalf of a client.

242.27 (d) The ombudsman may investigate the quality of services provided to clients and
 242.28 determine the extent to which quality assurance mechanisms within state and county
 242.29 government work to promote the health, safety, and welfare of clients.

242.30 (e) At the request of a client, or upon receiving a complaint or other information affording
 242.31 reasonable grounds to believe that the rights of one or more clients who may not be capable
 242.32 of requesting assistance have been adversely affected, the ombudsman may gather

243.1 information and data about and analyze, on behalf of the client, the actions of an agency,
243.2 facility, or program.

243.3 (f) The ombudsman may gather, on behalf of one or more clients, records of an agency,
243.4 facility, or program, or records related to clinical drug trials from the University of Minnesota
243.5 Department of Psychiatry, if the records relate to a matter that is within the scope of the
243.6 ombudsman's authority. If the records are private and the client is capable of providing
243.7 consent, the ombudsman shall first obtain the client's consent. The ombudsman is not
243.8 required to obtain consent for access to private data on clients with developmental disabilities
243.9 and individuals served by the Minnesota Sex Offender Program. The ombudsman may also
243.10 take photographic or videographic evidence while reviewing the actions of an agency,
243.11 facility, or program, with the consent of the client. The ombudsman is not required to obtain
243.12 consent for access to private data on decedents who were receiving services for mental
243.13 illness, developmental disability, or substance use disorder, ~~or emotional disturbance~~. All
243.14 data collected, created, received, or maintained by the ombudsman are governed by chapter
243.15 13 and other applicable law.

243.16 (g) Notwithstanding any law to the contrary, the ombudsman may subpoena a person
243.17 to appear, give testimony, or produce documents or other evidence that the ombudsman
243.18 considers relevant to a matter under inquiry. The ombudsman may petition the appropriate
243.19 court in Ramsey County to enforce the subpoena. A witness who is at a hearing or is part
243.20 of an investigation possesses the same privileges that a witness possesses in the courts or
243.21 under the law of this state. Data obtained from a person under this paragraph are private
243.22 data as defined in section 13.02, subdivision 12.

243.23 (h) The ombudsman may, at reasonable times in the course of conducting a review, enter
243.24 and view premises within the control of an agency, facility, or program.

243.25 (i) The ombudsman may attend Direct Care and Treatment Review Board and Special
243.26 Review Board proceedings; proceedings regarding the transfer of clients, as defined in
243.27 section 246.50, subdivision 4, between institutions operated by the Direct Care and Treatment
243.28 executive board; and, subject to the consent of the affected client, other proceedings affecting
243.29 the rights of clients. The ombudsman is not required to obtain consent to attend meetings
243.30 or proceedings and have access to private data on clients with developmental disabilities
243.31 and individuals served by the Minnesota Sex Offender Program.

243.32 (j) The ombudsman shall gather data of agencies, facilities, or programs classified as
243.33 private or confidential as defined in section 13.02, subdivisions 3 and 12, regarding services

244.1 provided to clients with developmental disabilities and individuals served by the Minnesota
244.2 Sex Offender Program.

244.3 (k) To avoid duplication and preserve evidence, the ombudsman shall inform relevant
244.4 licensing or regulatory officials before undertaking a review of an action of the facility or
244.5 program.

244.6 (l) The Office of Ombudsman shall provide the services of the Civil Commitment
244.7 Training and Resource Center.

244.8 (m) The ombudsman shall monitor the treatment of individuals participating in a
244.9 University of Minnesota Department of Psychiatry clinical drug trial and ensure that all
244.10 protections for human subjects required by federal law and the Institutional Review Board
244.11 are provided.

244.12 (n) Sections 245.91 to 245.97 are in addition to other provisions of law under which any
244.13 other remedy or right is provided.

244.14 Sec. 51. Minnesota Statutes 2024, section 245A.03, subdivision 2, is amended to read:

244.15 Subd. 2. **Exclusion from licensure.** (a) This chapter does not apply to:

244.16 (1) residential or nonresidential programs that are provided to a person by an individual
244.17 who is related;

244.18 (2) nonresidential programs that are provided by an unrelated individual to persons from
244.19 a single related family;

244.20 (3) residential or nonresidential programs that are provided to adults who do not misuse
244.21 substances or have a substance use disorder, a mental illness, a developmental disability, a
244.22 functional impairment, or a physical disability;

244.23 (4) sheltered workshops or work activity programs that are certified by the commissioner
244.24 of employment and economic development;

244.25 (5) programs operated by a public school for children 33 months or older;

244.26 (6) nonresidential programs primarily for children that provide care or supervision for
244.27 periods of less than three hours a day while the child's parent or legal guardian is in the
244.28 same building as the nonresidential program or present within another building that is
244.29 directly contiguous to the building in which the nonresidential program is located;

244.30 (7) nursing homes or hospitals licensed by the commissioner of health except as specified
244.31 under section 245A.02;

- 245.1 (8) board and lodge facilities licensed by the commissioner of health that do not provide
245.2 children's residential services under Minnesota Rules, chapter 2960, mental health or
245.3 substance use disorder treatment;
- 245.4 (9) programs licensed by the commissioner of corrections;
- 245.5 (10) recreation programs for children or adults that are operated or approved by a park
245.6 and recreation board whose primary purpose is to provide social and recreational activities;
- 245.7 (11) noncertified boarding care homes unless they provide services for five or more
245.8 persons whose primary diagnosis is mental illness or a developmental disability;
- 245.9 (12) programs for children such as scouting, boys clubs, girls clubs, and sports and art
245.10 programs, and nonresidential programs for children provided for a cumulative total of less
245.11 than 30 days in any 12-month period;
- 245.12 (13) residential programs for persons with mental illness, that are located in hospitals;
- 245.13 (14) camps licensed by the commissioner of health under Minnesota Rules, chapter
245.14 4630;
- 245.15 (15) mental health outpatient services for adults with mental illness or children with
245.16 ~~emotional disturbance~~ mental illness;
- 245.17 (16) residential programs serving school-age children whose sole purpose is cultural or
245.18 educational exchange, until the commissioner adopts appropriate rules;
- 245.19 (17) community support services programs as defined in section 245.462, subdivision
245.20 6, and family community support services as defined in section 245.4871, subdivision 17;
- 245.21 (18) assisted living facilities licensed by the commissioner of health under chapter 144G;
- 245.22 (19) substance use disorder treatment activities of licensed professionals in private
245.23 practice as defined in section 245G.01, subdivision 17;
- 245.24 (20) consumer-directed community support service funded under the Medicaid waiver
245.25 for persons with developmental disabilities when the individual who provided the service
245.26 is:
- 245.27 (i) the same individual who is the direct payee of these specific waiver funds or paid by
245.28 a fiscal agent, fiscal intermediary, or employer of record; and
- 245.29 (ii) not otherwise under the control of a residential or nonresidential program that is
245.30 required to be licensed under this chapter when providing the service;

246.1 (21) a county that is an eligible vendor under section 254B.05 to provide care coordination
246.2 and comprehensive assessment services;

246.3 (22) a recovery community organization that is an eligible vendor under section 254B.05
246.4 to provide peer recovery support services; or

246.5 (23) programs licensed by the commissioner of children, youth, and families in chapter
246.6 142B.

246.7 (b) For purposes of paragraph (a), clause (6), a building is directly contiguous to a
246.8 building in which a nonresidential program is located if it shares a common wall with the
246.9 building in which the nonresidential program is located or is attached to that building by
246.10 skyway, tunnel, atrium, or common roof.

246.11 (c) Except for the home and community-based services identified in section 245D.03,
246.12 subdivision 1, nothing in this chapter shall be construed to require licensure for any services
246.13 provided and funded according to an approved federal waiver plan where licensure is
246.14 specifically identified as not being a condition for the services and funding.

246.15 Sec. 52. Minnesota Statutes 2024, section 245A.26, subdivision 1, is amended to read:

246.16 Subdivision 1. **Definitions.** (a) For the purposes of this section, the terms defined in this
246.17 subdivision have the meanings given.

246.18 (b) "Clinical trainee" means a staff person who is qualified under section 245I.04,
246.19 subdivision 6.

246.20 (c) "License holder" means an individual, organization, or government entity that was
246.21 issued a license by the commissioner of human services under this chapter for residential
246.22 mental health treatment for children with ~~emotional disturbance~~ mental illness according
246.23 to Minnesota Rules, parts 2960.0010 to 2960.0220 and 2960.0580 to 2960.0700, or shelter
246.24 care services according to Minnesota Rules, parts 2960.0010 to 2960.0120 and 2960.0510
246.25 to 2960.0530.

246.26 (d) "Mental health professional" means an individual who is qualified under section
246.27 245I.04, subdivision 2.

246.28 Sec. 53. Minnesota Statutes 2024, section 245A.26, subdivision 2, is amended to read:

246.29 Subd. 2. **Scope and applicability.** (a) This section establishes additional licensing
246.30 requirements for a children's residential facility to provide children's residential crisis

247.1 stabilization services to a client who is experiencing a mental health crisis and is in need of
247.2 residential treatment services.

247.3 (b) A children's residential facility may provide residential crisis stabilization services
247.4 only if the facility is licensed to provide:

247.5 (1) residential mental health treatment for children with ~~emotional disturbance~~ mental
247.6 illness according to Minnesota Rules, parts 2960.0010 to 2960.0220 and 2960.0580 to
247.7 2960.0700; or

247.8 (2) shelter care services according to Minnesota Rules, parts 2960.0010 to 2960.0120
247.9 and 2960.0510 to 2960.0530.

247.10 (c) If a client receives residential crisis stabilization services for 35 days or fewer in a
247.11 facility licensed according to paragraph (b), clause (1), the facility is not required to complete
247.12 a diagnostic assessment or treatment plan under Minnesota Rules, part 2960.0180, subpart
247.13 2, and part 2960.0600.

247.14 (d) If a client receives residential crisis stabilization services for 35 days or fewer in a
247.15 facility licensed according to paragraph (b), clause (2), the facility is not required to develop
247.16 a plan for meeting the client's immediate needs under Minnesota Rules, part 2960.0520,
247.17 subpart 3.

247.18 Sec. 54. Minnesota Statutes 2024, section 246C.12, subdivision 4, is amended to read:

247.19 Subd. 4. **Staff safety training.** The executive board shall require all staff in mental
247.20 health and support units at regional treatment centers who have contact with ~~persons~~ children
247.21 or adults with mental illness ~~or severe emotional disturbance~~ to be appropriately trained in
247.22 violence reduction and violence prevention and shall establish criteria for such training.
247.23 Training programs shall be developed with input from consumer advocacy organizations
247.24 and shall employ violence prevention techniques as preferable to physical interaction.

247.25 Sec. 55. Minnesota Statutes 2024, section 252.27, subdivision 1, is amended to read:

247.26 Subdivision 1. **County of financial responsibility.** Whenever any child who has a
247.27 developmental disability, or a physical disability or ~~emotional disturbance~~ mental illness is
247.28 in 24-hour care outside the home including respite care, in a facility licensed by the
247.29 commissioner of human services, the cost of services shall be paid by the county of financial
247.30 responsibility determined pursuant to chapter 256G. If the child's parents or guardians do
247.31 not reside in this state, the cost shall be paid by the responsible governmental agency in the

248.1 state from which the child came, by the parents or guardians of the child if they are financially
248.2 able, or, if no other payment source is available, by the commissioner of human services.

248.3 Sec. 56. Minnesota Statutes 2024, section 256B.02, subdivision 11, is amended to read:

248.4 Subd. 11. **Related condition.** "Related condition" means a condition:

248.5 (1) that is found to be closely related to a developmental disability, including but not
248.6 limited to cerebral palsy, epilepsy, autism, fetal alcohol spectrum disorder, and Prader-Willi
248.7 syndrome; and

248.8 (2) that meets all of the following criteria:

248.9 (i) is severe and chronic;

248.10 (ii) results in impairment of general intellectual functioning or adaptive behavior similar
248.11 to that of persons with developmental disabilities;

248.12 (iii) requires treatment or services similar to those required for persons with
248.13 developmental disabilities;

248.14 (iv) is manifested before the person reaches 22 years of age;

248.15 (v) is likely to continue indefinitely;

248.16 (vi) results in substantial functional limitations in three or more of the following areas
248.17 of major life activity:

248.18 (A) self-care;

248.19 (B) understanding and use of language;

248.20 (C) learning;

248.21 (D) mobility;

248.22 (E) self-direction; or

248.23 (F) capacity for independent living; and

248.24 (vii) is not attributable to mental illness as defined in section 245.462, subdivision 20,
248.25 ~~or an emotional disturbance as defined in section 245.4871, subdivision 15.~~ For purposes
248.26 of this item, notwithstanding section 245.462, subdivision 20, or 245.4871, subdivision 15,
248.27 "mental illness" does not include autism or other pervasive developmental disorders.

249.1 Sec. 57. Minnesota Statutes 2024, section 256B.055, subdivision 12, is amended to read:

249.2 Subd. 12. **Children with disabilities.** (a) A person is eligible for medical assistance if
249.3 the person is under age 19 and qualifies as a disabled individual under United States Code,
249.4 title 42, section 1382c(a), and would be eligible for medical assistance under the state plan
249.5 if residing in a medical institution, and the child requires a level of care provided in a hospital,
249.6 nursing facility, or intermediate care facility for persons with developmental disabilities,
249.7 for whom home care is appropriate, provided that the cost to medical assistance under this
249.8 section is not more than the amount that medical assistance would pay for if the child resides
249.9 in an institution. After the child is determined to be eligible under this section, the
249.10 commissioner shall review the child's disability under United States Code, title 42, section
249.11 1382c(a) and level of care defined under this section no more often than annually and may
249.12 elect, based on the recommendation of health care professionals under contract with the
249.13 state medical review team, to extend the review of disability and level of care up to a
249.14 maximum of four years. The commissioner's decision on the frequency of continuing review
249.15 of disability and level of care is not subject to administrative appeal under section 256.045.
249.16 The county agency shall send a notice of disability review to the enrollee six months prior
249.17 to the date the recertification of disability is due. Nothing in this subdivision shall be
249.18 construed as affecting other redeterminations of medical assistance eligibility under this
249.19 chapter and annual cost-effective reviews under this section.

249.20 (b) For purposes of this subdivision, "hospital" means an institution as defined in section
249.21 144.696, subdivision 3, 144.55, subdivision 3, or Minnesota Rules, part 4640.3600, and
249.22 licensed pursuant to sections 144.50 to 144.58. For purposes of this subdivision, a child
249.23 requires a level of care provided in a hospital if the child is determined by the commissioner
249.24 to need an extensive array of health services, including mental health services, for an
249.25 undetermined period of time, whose health condition requires frequent monitoring and
249.26 treatment by a health care professional or by a person supervised by a health care
249.27 professional, who would reside in a hospital or require frequent hospitalization if these
249.28 services were not provided, and the daily care needs are more complex than a nursing facility
249.29 level of care.

249.30 A child with serious ~~emotional disturbance~~ mental illness requires a level of care provided
249.31 in a hospital if the commissioner determines that the individual requires 24-hour supervision
249.32 because the person exhibits recurrent or frequent suicidal or homicidal ideation or behavior,
249.33 recurrent or frequent psychosomatic disorders or somatopsychic disorders that may become
249.34 life threatening, recurrent or frequent severe socially unacceptable behavior associated with
249.35 psychiatric disorder, ongoing and chronic psychosis or severe, ongoing and chronic

250.1 developmental problems requiring continuous skilled observation, or severe disabling
250.2 symptoms for which office-centered outpatient treatment is not adequate, and which overall
250.3 severely impact the individual's ability to function.

250.4 (c) For purposes of this subdivision, "nursing facility" means a facility which provides
250.5 nursing care as defined in section 144A.01, subdivision 5, licensed pursuant to sections
250.6 144A.02 to 144A.10, which is appropriate if a person is in active restorative treatment; is
250.7 in need of special treatments provided or supervised by a licensed nurse; or has unpredictable
250.8 episodes of active disease processes requiring immediate judgment by a licensed nurse. For
250.9 purposes of this subdivision, a child requires the level of care provided in a nursing facility
250.10 if the child is determined by the commissioner to meet the requirements of the preadmission
250.11 screening assessment document under section 256B.0911, adjusted to address age-appropriate
250.12 standards for children age 18 and under.

250.13 (d) For purposes of this subdivision, "intermediate care facility for persons with
250.14 developmental disabilities" or "ICF/DD" means a program licensed to provide services to
250.15 persons with developmental disabilities under section 252.28, and chapter 245A, and a
250.16 physical plant licensed as a supervised living facility under chapter 144, which together are
250.17 certified by the Minnesota Department of Health as meeting the standards in Code of Federal
250.18 Regulations, title 42, part 483, for an intermediate care facility which provides services for
250.19 persons with developmental disabilities who require 24-hour supervision and active treatment
250.20 for medical, behavioral, or habilitation needs. For purposes of this subdivision, a child
250.21 requires a level of care provided in an ICF/DD if the commissioner finds that the child has
250.22 a developmental disability in accordance with section 256B.092, is in need of a 24-hour
250.23 plan of care and active treatment similar to persons with developmental disabilities, and
250.24 there is a reasonable indication that the child will need ICF/DD services.

250.25 (e) For purposes of this subdivision, a person requires the level of care provided in a
250.26 nursing facility if the person requires 24-hour monitoring or supervision and a plan of mental
250.27 health treatment because of specific symptoms or functional impairments associated with
250.28 a serious mental illness or disorder diagnosis, which meet severity criteria for mental health
250.29 established by the commissioner and published in March 1997 as the Minnesota Mental
250.30 Health Level of Care for Children and Adolescents with Severe Emotional Disorders.

250.31 (f) The determination of the level of care needed by the child shall be made by the
250.32 commissioner based on information supplied to the commissioner by (1) the parent or
250.33 guardian, (2) the child's physician or physicians, advanced practice registered nurse or
250.34 advanced practice registered nurses, or physician assistant or physician assistants, and (3)

251.1 other professionals as requested by the commissioner. The commissioner shall establish a
251.2 screening team to conduct the level of care determinations according to this subdivision.

251.3 (g) If a child meets the conditions in paragraph (b), (c), (d), or (e), the commissioner
251.4 must assess the case to determine whether:

251.5 (1) the child qualifies as a disabled individual under United States Code, title 42, section
251.6 1382c(a), and would be eligible for medical assistance if residing in a medical institution;
251.7 and

251.8 (2) the cost of medical assistance services for the child, if eligible under this subdivision,
251.9 would not be more than the cost to medical assistance if the child resides in a medical
251.10 institution to be determined as follows:

251.11 (i) for a child who requires a level of care provided in an ICF/DD, the cost of care for
251.12 the child in an institution shall be determined using the average payment rate established
251.13 for the regional treatment centers that are certified as ICF's/DD;

251.14 (ii) for a child who requires a level of care provided in an inpatient hospital setting
251.15 according to paragraph (b), cost-effectiveness shall be determined according to Minnesota
251.16 Rules, part 9505.3520, items F and G; and

251.17 (iii) for a child who requires a level of care provided in a nursing facility according to
251.18 paragraph (c) or (e), cost-effectiveness shall be determined according to Minnesota Rules,
251.19 part 9505.3040, except that the nursing facility average rate shall be adjusted to reflect rates
251.20 which would be paid for children under age 16. The commissioner may authorize an amount
251.21 up to the amount medical assistance would pay for a child referred to the commissioner by
251.22 the preadmission screening team under section 256B.0911.

251.23 Sec. 58. Minnesota Statutes 2024, section 256B.0616, subdivision 1, is amended to read:

251.24 Subdivision 1. **Scope.** Medical assistance covers mental health certified family peer
251.25 specialists services, as established in subdivision 2, subject to federal approval, if provided
251.26 to recipients who have ~~an emotional disturbance~~ a mental illness or ~~severe emotional~~
251.27 ~~disturbance~~ serious mental illness under chapter 245, and are provided by a mental health
251.28 certified family peer specialist who has completed the training under subdivision 5 and is
251.29 qualified according to section 245I.04, subdivision 12. A family peer specialist cannot
251.30 provide services to the peer specialist's family.

252.1 Sec. 59. Minnesota Statutes 2024, section 256B.0757, subdivision 2, is amended to read:

252.2 Subd. 2. **Eligible individual.** (a) The commissioner may elect to develop health home
252.3 models in accordance with United States Code, title 42, section 1396w-4.

252.4 (b) An individual is eligible for health home services under this section if the individual
252.5 is eligible for medical assistance under this chapter and has a condition that meets the
252.6 definition of mental illness as described in section 245.462, subdivision 20, paragraph (a),
252.7 or ~~emotional disturbance as defined in section 245.4871, subdivision 15, clause (2).~~ The
252.8 commissioner shall establish criteria for determining continued eligibility.

252.9 Sec. 60. Minnesota Statutes 2024, section 256B.0943, subdivision 1, is amended to read:

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

252.12 (b) "Children's therapeutic services and supports" means the flexible package of mental
252.13 health services for children who require varying therapeutic and rehabilitative levels of
252.14 intervention to treat a diagnosed ~~emotional disturbance, as defined in section 245.4871,~~
252.15 ~~subdivision 15, or a diagnosed~~ mental illness, as defined in section 245.462, subdivision
252.16 20, or 245.4871, subdivision 15. The services are time-limited interventions that are delivered
252.17 using various treatment modalities and combinations of services designed to reach treatment
252.18 outcomes identified in the individual treatment plan.

252.19 (c) "Clinical trainee" means a staff person who is qualified according to section 245I.04,
252.20 subdivision 6.

252.21 (d) "Crisis planning" has the meaning given in section 245.4871, subdivision 9a.

252.22 (e) "Culturally competent provider" means a provider who understands and can utilize
252.23 to a client's benefit the client's culture when providing services to the client. A provider
252.24 may be culturally competent because the provider is of the same cultural or ethnic group
252.25 as the client or the provider has developed the knowledge and skills through training and
252.26 experience to provide services to culturally diverse clients.

252.27 (f) "Day treatment program" for children means a site-based structured mental health
252.28 program consisting of psychotherapy for three or more individuals and individual or group
252.29 skills training provided by a team, under the treatment supervision of a mental health
252.30 professional.

252.31 (g) "Direct service time" means the time that a mental health professional, clinical trainee,
252.32 mental health practitioner, or mental health behavioral aide spends face-to-face with a client

253.1 and the client's family or providing covered services through telehealth as defined under
 253.2 section 256B.0625, subdivision 3b. Direct service time includes time in which the provider
 253.3 obtains a client's history, develops a client's treatment plan, records individual treatment
 253.4 outcomes, or provides service components of children's therapeutic services and supports.
 253.5 Direct service time does not include time doing work before and after providing direct
 253.6 services, including scheduling or maintaining clinical records.

253.7 (h) "Direction of mental health behavioral aide" means the activities of a mental health
 253.8 professional, clinical trainee, or mental health practitioner in guiding the mental health
 253.9 behavioral aide in providing services to a client. The direction of a mental health behavioral
 253.10 aide must be based on the client's individual treatment plan and meet the requirements in
 253.11 subdivision 6, paragraph (b), clause (7).

253.12 ~~(i) "Emotional disturbance" has the meaning given in section 245.4871, subdivision 15.~~

253.13 ~~(j)~~ (i) "Individual treatment plan" means the plan described in section 245I.10,
 253.14 subdivisions 7 and 8.

253.15 ~~(k)~~ (j) "Mental health behavioral aide services" means medically necessary one-on-one
 253.16 activities performed by a mental health behavioral aide qualified according to section
 253.17 245I.04, subdivision 16, to assist a child retain or generalize psychosocial skills as previously
 253.18 trained by a mental health professional, clinical trainee, or mental health practitioner and
 253.19 as described in the child's individual treatment plan and individual behavior plan. Activities
 253.20 involve working directly with the child or child's family as provided in subdivision 9,
 253.21 paragraph (b), clause (4).

253.22 ~~(l)~~ (k) "Mental health certified family peer specialist" means a staff person who is
 253.23 qualified according to section 245I.04, subdivision 12.

253.24 ~~(m)~~ (l) "Mental health practitioner" means a staff person who is qualified according to
 253.25 section 245I.04, subdivision 4.

253.26 ~~(n)~~ (m) "Mental health professional" means a staff person who is qualified according to
 253.27 section 245I.04, subdivision 2.

253.28 ~~(o)~~ (n) "Mental health service plan development" includes:

253.29 (1) development and revision of a child's individual treatment plan; and

253.30 (2) administering and reporting standardized outcome measurements approved by the
 253.31 commissioner, as periodically needed to evaluate the effectiveness of treatment.

254.1 ~~(p)~~ (o) "Mental illness," ~~for persons at least age 18 but under age 21,~~ has the meaning
254.2 given in section 245.462, subdivision 20, paragraph (a), for persons at least age 18 but under
254.3 age 21, and has the meaning given in section 245.4871, subdivision 15, for children under
254.4 18 years of age.

254.5 ~~(q)~~ (p) "Psychotherapy" means the treatment described in section 256B.0671, subdivision
254.6 11.

254.7 ~~(r)~~ (q) "Rehabilitative services" or "psychiatric rehabilitation services" means
254.8 interventions to: (1) restore a child or adolescent to an age-appropriate developmental
254.9 trajectory that had been disrupted by a psychiatric illness; or (2) enable the child to
254.10 self-monitor, compensate for, cope with, counteract, or replace psychosocial skills deficits
254.11 or maladaptive skills acquired over the course of a psychiatric illness. Psychiatric
254.12 rehabilitation services for children combine coordinated psychotherapy to address internal
254.13 psychological, emotional, and intellectual processing deficits, and skills training to restore
254.14 personal and social functioning. Psychiatric rehabilitation services establish a progressive
254.15 series of goals with each achievement building upon a prior achievement.

254.16 ~~(s)~~ (r) "Skills training" means individual, family, or group training, delivered by or under
254.17 the supervision of a mental health professional, designed to facilitate the acquisition of
254.18 psychosocial skills that are medically necessary to rehabilitate the child to an age-appropriate
254.19 developmental trajectory heretofore disrupted by a psychiatric illness or to enable the child
254.20 to self-monitor, compensate for, cope with, counteract, or replace skills deficits or
254.21 maladaptive skills acquired over the course of a psychiatric illness. Skills training is subject
254.22 to the service delivery requirements under subdivision 9, paragraph (b), clause (2).

254.23 ~~(t)~~ (s) "Standard diagnostic assessment" means the assessment described in section
254.24 245I.10, subdivision 6.

254.25 ~~(u)~~ (t) "Treatment supervision" means the supervision described in section 245I.06.

254.26 Sec. 61. Minnesota Statutes 2024, section 256B.0943, subdivision 3, is amended to read:

254.27 Subd. 3. **Determination of client eligibility.** (a) A client's eligibility to receive children's
254.28 therapeutic services and supports under this section shall be determined based on a standard
254.29 diagnostic assessment by a mental health professional or a clinical trainee that is performed
254.30 within one year before the initial start of service and updated as required under section
254.31 245I.10, subdivision 2. The standard diagnostic assessment must:

255.1 (1) determine whether a child under age 18 has a diagnosis of ~~emotional disturbance~~
255.2 mental illness or, if the person is between the ages of 18 and 21, whether the person has a
255.3 mental illness;

255.4 (2) document children's therapeutic services and supports as medically necessary to
255.5 address an identified disability, functional impairment, and the individual client's needs and
255.6 goals; and

255.7 (3) be used in the development of the individual treatment plan.

255.8 (b) Notwithstanding paragraph (a), a client may be determined to be eligible for up to
255.9 five days of day treatment under this section based on a hospital's medical history and
255.10 presentation examination of the client.

255.11 (c) Children's therapeutic services and supports include development and rehabilitative
255.12 services that support a child's developmental treatment needs.

255.13 Sec. 62. Minnesota Statutes 2024, section 256B.0943, subdivision 9, is amended to read:

255.14 Subd. 9. **Service delivery criteria.** (a) In delivering services under this section, a certified
255.15 provider entity must ensure that:

255.16 (1) the provider's caseload size should reasonably enable the provider to play an active
255.17 role in service planning, monitoring, and delivering services to meet the client's and client's
255.18 family's needs, as specified in each client's individual treatment plan;

255.19 (2) site-based programs, including day treatment programs, provide staffing and facilities
255.20 to ensure the client's health, safety, and protection of rights, and that the programs are able
255.21 to implement each client's individual treatment plan; and

255.22 (3) a day treatment program is provided to a group of clients by a team under the treatment
255.23 supervision of a mental health professional. The day treatment program must be provided
255.24 in and by: (i) an outpatient hospital accredited by the Joint Commission on Accreditation
255.25 of Health Organizations and licensed under sections 144.50 to 144.55; (ii) a community
255.26 mental health center under section 245.62; or (iii) an entity that is certified under subdivision
255.27 4 to operate a program that meets the requirements of section 245.4884, subdivision 2, and
255.28 Minnesota Rules, parts 9505.0170 to 9505.0475. The day treatment program must stabilize
255.29 the client's mental health status while developing and improving the client's independent
255.30 living and socialization skills. The goal of the day treatment program must be to reduce or
255.31 relieve the effects of mental illness and provide training to enable the client to live in the
255.32 community. The remainder of the structured treatment program may include patient and/or
255.33 family or group psychotherapy, and individual or group skills training, if included in the

256.1 client's individual treatment plan. Day treatment programs are not part of inpatient or
256.2 residential treatment services. When a day treatment group that meets the minimum group
256.3 size requirement temporarily falls below the minimum group size because of a member's
256.4 temporary absence, medical assistance covers a group session conducted for the group
256.5 members in attendance. A day treatment program may provide fewer than the minimally
256.6 required hours for a particular child during a billing period in which the child is transitioning
256.7 into, or out of, the program.

256.8 (b) To be eligible for medical assistance payment, a provider entity must deliver the
256.9 service components of children's therapeutic services and supports in compliance with the
256.10 following requirements:

256.11 (1) psychotherapy to address the child's underlying mental health disorder must be
256.12 documented as part of the child's ongoing treatment. A provider must deliver or arrange for
256.13 medically necessary psychotherapy unless the child's parent or caregiver chooses not to
256.14 receive it or the provider determines that psychotherapy is no longer medically necessary.
256.15 When a provider determines that psychotherapy is no longer medically necessary, the
256.16 provider must update required documentation, including but not limited to the individual
256.17 treatment plan, the child's medical record, or other authorizations, to include the
256.18 determination. When a provider determines that a child needs psychotherapy but
256.19 psychotherapy cannot be delivered due to a shortage of licensed mental health professionals
256.20 in the child's community, the provider must document the lack of access in the child's
256.21 medical record;

256.22 (2) individual, family, or group skills training is subject to the following requirements:

256.23 (i) a mental health professional, clinical trainee, or mental health practitioner shall provide
256.24 skills training;

256.25 (ii) skills training delivered to a child or the child's family must be targeted to the specific
256.26 deficits or maladaptations of the child's mental health disorder and must be prescribed in
256.27 the child's individual treatment plan;

256.28 (iii) group skills training may be provided to multiple recipients who, because of the
256.29 nature of their emotional, behavioral, or social dysfunction, can derive mutual benefit from
256.30 interaction in a group setting, which must be staffed as follows:

256.31 (A) one mental health professional, clinical trainee, or mental health practitioner must
256.32 work with a group of three to eight clients; or

257.1 (B) any combination of two mental health professionals, clinical trainees, or mental
257.2 health practitioners must work with a group of nine to 12 clients;

257.3 (iv) a mental health professional, clinical trainee, or mental health practitioner must have
257.4 taught the psychosocial skill before a mental health behavioral aide may practice that skill
257.5 with the client; and

257.6 (v) for group skills training, when a skills group that meets the minimum group size
257.7 requirement temporarily falls below the minimum group size because of a group member's
257.8 temporary absence, the provider may conduct the session for the group members in
257.9 attendance;

257.10 (3) crisis planning to a child and family must include development of a written plan that
257.11 anticipates the particular factors specific to the child that may precipitate a psychiatric crisis
257.12 for the child in the near future. The written plan must document actions that the family
257.13 should be prepared to take to resolve or stabilize a crisis, such as advance arrangements for
257.14 direct intervention and support services to the child and the child's family. Crisis planning
257.15 must include preparing resources designed to address abrupt or substantial changes in the
257.16 functioning of the child or the child's family when sudden change in behavior or a loss of
257.17 usual coping mechanisms is observed, or the child begins to present a danger to self or
257.18 others;

257.19 (4) mental health behavioral aide services must be medically necessary treatment services,
257.20 identified in the child's individual treatment plan.

257.21 To be eligible for medical assistance payment, mental health behavioral aide services must
257.22 be delivered to a child who has been diagnosed with ~~an emotional disturbance or a mental~~
257.23 illness, as provided in subdivision 1, paragraph (a). The mental health behavioral aide must
257.24 document the delivery of services in written progress notes. Progress notes must reflect
257.25 implementation of the treatment strategies, as performed by the mental health behavioral
257.26 aide and the child's responses to the treatment strategies; and

257.27 (5) mental health service plan development must be performed in consultation with the
257.28 child's family and, when appropriate, with other key participants in the child's life by the
257.29 child's treating mental health professional or clinical trainee or by a mental health practitioner
257.30 and approved by the treating mental health professional. Treatment plan drafting consists
257.31 of development, review, and revision by face-to-face or electronic communication. The
257.32 provider must document events, including the time spent with the family and other key
257.33 participants in the child's life to approve the individual treatment plan. Medical assistance
257.34 covers service plan development before completion of the child's individual treatment plan.

258.1 Service plan development is covered only if a treatment plan is completed for the child. If
258.2 upon review it is determined that a treatment plan was not completed for the child, the
258.3 commissioner shall recover the payment for the service plan development.

258.4 Sec. 63. Minnesota Statutes 2024, section 256B.0943, subdivision 12, is amended to read:

258.5 Subd. 12. **Excluded services.** The following services are not eligible for medical
258.6 assistance payment as children's therapeutic services and supports:

258.7 (1) service components of children's therapeutic services and supports simultaneously
258.8 provided by more than one provider entity unless prior authorization is obtained;

258.9 (2) treatment by multiple providers within the same agency at the same clock time,
258.10 unless one service is delivered to the child and the other service is delivered to the child's
258.11 family or treatment team without the child present;

258.12 (3) children's therapeutic services and supports provided in violation of medical assistance
258.13 policy in Minnesota Rules, part 9505.0220;

258.14 (4) mental health behavioral aide services provided by a personal care assistant who is
258.15 not qualified as a mental health behavioral aide and employed by a certified children's
258.16 therapeutic services and supports provider entity;

258.17 (5) service components of CTSS that are the responsibility of a residential or program
258.18 license holder, including foster care providers under the terms of a service agreement or
258.19 administrative rules governing licensure; and

258.20 (6) adjunctive activities that may be offered by a provider entity but are not otherwise
258.21 covered by medical assistance, including:

258.22 (i) a service that is primarily recreation oriented or that is provided in a setting that is
258.23 not medically supervised. This includes sports activities, exercise groups, activities such as
258.24 craft hours, leisure time, social hours, meal or snack time, trips to community activities,
258.25 and tours;

258.26 (ii) a social or educational service that does not have or cannot reasonably be expected
258.27 to have a therapeutic outcome related to the client's ~~emotional disturbance~~ mental illness;

258.28 (iii) prevention or education programs provided to the community; and

258.29 (iv) treatment for clients with primary diagnoses of alcohol or other drug abuse.

259.1 Sec. 64. Minnesota Statutes 2024, section 256B.0943, subdivision 13, is amended to read:

259.2 Subd. 13. **Exception to excluded services.** Notwithstanding subdivision 12, up to 15
259.3 hours of children's therapeutic services and supports provided within a six-month period to
259.4 a child with ~~severe emotional disturbance~~ serious mental illness who is residing in a hospital;
259.5 a residential treatment facility licensed under Minnesota Rules, parts 2960.0580 to 2960.0690;
259.6 a psychiatric residential treatment facility under section 256B.0625, subdivision 45a; a
259.7 regional treatment center; or other institutional group setting or who is participating in a
259.8 program of partial hospitalization are eligible for medical assistance payment if part of the
259.9 discharge plan.

259.10 Sec. 65. Minnesota Statutes 2024, section 256B.0945, subdivision 1, is amended to read:

259.11 Subdivision 1. **Residential services; provider qualifications.** (a) Counties must arrange
259.12 to provide residential services for children with ~~severe emotional disturbance~~ serious mental
259.13 illness according to sections 245.4882, 245.4885, and this section.

259.14 (b) Services must be provided by a facility that is licensed according to section 245.4882
259.15 and administrative rules promulgated thereunder, and under contract with the county.

259.16 (c) Eligible service costs may be claimed for a facility that is located in a state that
259.17 borders Minnesota if:

259.18 (1) the facility is the closest facility to the child's home, providing the appropriate level
259.19 of care; and

259.20 (2) the commissioner of human services has completed an inspection of the out-of-state
259.21 program according to the interagency agreement with the commissioner of corrections under
259.22 section 260B.198, subdivision 11, paragraph (b), and the program has been certified by the
259.23 commissioner of corrections under section 260B.198, subdivision 11, paragraph (a), to
259.24 substantially meet the standards applicable to children's residential mental health treatment
259.25 programs under Minnesota Rules, chapter 2960. Nothing in this section requires the
259.26 commissioner of human services to enforce the background study requirements under chapter
259.27 245C or the requirements related to prevention and investigation of alleged maltreatment
259.28 under section 626.557 or chapter 260E. Complaints received by the commissioner of human
259.29 services must be referred to the out-of-state licensing authority for possible follow-up.

259.30 (d) Notwithstanding paragraph (b), eligible service costs may be claimed for an
259.31 out-of-state inpatient treatment facility if:

259.32 (1) the facility specializes in providing mental health services to children who are deaf,
259.33 deafblind, or hard-of-hearing and who use American Sign Language as their first language;

- 260.1 (2) the facility is licensed by the state in which it is located; and
- 260.2 (3) the state in which the facility is located is a member state of the Interstate Compact
- 260.3 on Mental Health.

260.4 Sec. 66. Minnesota Statutes 2024, section 256B.0946, subdivision 6, is amended to read:

260.5 Subd. 6. **Excluded services.** (a) Services in clauses (1) to (7) are not covered under this

260.6 section and are not eligible for medical assistance payment as components of children's

260.7 intensive behavioral health services, but may be billed separately:

260.8 (1) inpatient psychiatric hospital treatment;

260.9 (2) mental health targeted case management;

260.10 (3) partial hospitalization;

260.11 (4) medication management;

260.12 (5) children's mental health day treatment services;

260.13 (6) crisis response services under section 256B.0624;

260.14 (7) transportation; and

260.15 (8) mental health certified family peer specialist services under section 256B.0616.

260.16 (b) Children receiving intensive behavioral health services are not eligible for medical

260.17 assistance reimbursement for the following services while receiving children's intensive

260.18 behavioral health services:

260.19 (1) psychotherapy and skills training components of children's therapeutic services and

260.20 supports under section 256B.0943;

260.21 (2) mental health behavioral aide services as defined in section 256B.0943, subdivision

260.22 1, paragraph ~~(h)~~ (j);

260.23 (3) home and community-based waiver services;

260.24 (4) mental health residential treatment; and

260.25 (5) medical assistance room and board rate, as defined in section 256B.056, subdivision

260.26 5d.

261.1 Sec. 67. Minnesota Statutes 2024, section 256B.0947, subdivision 3a, is amended to read:

261.2 Subd. 3a. **Required service components.** (a) Intensive nonresidential rehabilitative
261.3 mental health services, supports, and ancillary activities that are covered by a single daily
261.4 rate per client must include the following, as needed by the individual client:

261.5 (1) individual, family, and group psychotherapy;

261.6 (2) individual, family, and group skills training, as defined in section 256B.0943,
261.7 subdivision 1, paragraph ~~(t)~~ (r);

261.8 (3) crisis planning as defined in section 245.4871, subdivision 9a;

261.9 (4) medication management provided by a physician, an advanced practice registered
261.10 nurse with certification in psychiatric and mental health care, or a physician assistant;

261.11 (5) mental health case management as provided in section 256B.0625, subdivision 20;

261.12 (6) medication education services as defined in this section;

261.13 (7) care coordination by a client-specific lead worker assigned by and responsible to the
261.14 treatment team;

261.15 (8) psychoeducation of and consultation and coordination with the client's biological,
261.16 adoptive, or foster family and, in the case of a youth living independently, the client's
261.17 immediate nonfamilial support network;

261.18 (9) clinical consultation to a client's employer or school or to other service agencies or
261.19 to the courts to assist in managing the mental illness or co-occurring disorder and to develop
261.20 client support systems;

261.21 (10) coordination with, or performance of, crisis intervention and stabilization services
261.22 as defined in section 256B.0624;

261.23 (11) transition services;

261.24 (12) co-occurring substance use disorder treatment as defined in section 245I.02,
261.25 subdivision 11; and

261.26 (13) housing access support that assists clients to find, obtain, retain, and move to safe
261.27 and adequate housing. Housing access support does not provide monetary assistance for
261.28 rent, damage deposits, or application fees.

261.29 (b) The provider shall ensure and document the following by means of performing the
261.30 required function or by contracting with a qualified person or entity: client access to crisis

262.1 intervention services, as defined in section 256B.0624, and available 24 hours per day and
262.2 seven days per week.

262.3 Sec. 68. Minnesota Statutes 2024, section 256B.69, subdivision 23, is amended to read:

262.4 Subd. 23. **Alternative services; elderly persons and persons with a disability.** (a) The
262.5 commissioner may implement demonstration projects to create alternative integrated delivery
262.6 systems for acute and long-term care services to elderly persons and persons with disabilities
262.7 as defined in section 256B.77, subdivision 7a, that provide increased coordination, improve
262.8 access to quality services, and mitigate future cost increases. The commissioner may seek
262.9 federal authority to combine Medicare and Medicaid capitation payments for the purpose
262.10 of such demonstrations and may contract with Medicare-approved special needs plans that
262.11 are offered by a demonstration provider or by an entity that is directly or indirectly wholly
262.12 owned or controlled by a demonstration provider to provide Medicaid services. Medicare
262.13 funds and services shall be administered according to the terms and conditions of the federal
262.14 contract and demonstration provisions. For the purpose of administering medical assistance
262.15 funds, demonstrations under this subdivision are subject to subdivisions 1 to 22. The
262.16 provisions of Minnesota Rules, parts 9500.1450 to 9500.1464, apply to these demonstrations,
262.17 with the exceptions of parts 9500.1452, subpart 2, item B; and 9500.1457, subpart 1, items
262.18 B and C, which do not apply to persons enrolling in demonstrations under this section. All
262.19 enforcement and rulemaking powers available under chapters 62D, 62M, and 62Q are hereby
262.20 granted to the commissioner of health with respect to Medicare-approved special needs
262.21 plans with which the commissioner contracts to provide Medicaid services under this section.
262.22 An initial open enrollment period may be provided. Persons who disenroll from
262.23 demonstrations under this subdivision remain subject to Minnesota Rules, parts 9500.1450
262.24 to 9500.1464. When a person is enrolled in a health plan under these demonstrations and
262.25 the health plan's participation is subsequently terminated for any reason, the person shall
262.26 be provided an opportunity to select a new health plan and shall have the right to change
262.27 health plans within the first 60 days of enrollment in the second health plan. Persons required
262.28 to participate in health plans under this section who fail to make a choice of health plan
262.29 shall not be randomly assigned to health plans under these demonstrations. Notwithstanding
262.30 section 256L.12, subdivision 5, and Minnesota Rules, part 9505.5220, subpart 1, item A,
262.31 if adopted, for the purpose of demonstrations under this subdivision, the commissioner may
262.32 contract with managed care organizations, including counties, to serve only elderly persons
262.33 eligible for medical assistance, elderly persons with a disability, or persons with a disability
262.34 only. For persons with a primary diagnosis of developmental disability, serious and persistent
262.35 mental illness, or serious ~~emotional disturbance~~ mental illness in children, the commissioner

263.1 must ensure that the county authority has approved the demonstration and contracting design.
263.2 Enrollment in these projects for persons with disabilities shall be voluntary. The
263.3 commissioner shall not implement any demonstration project under this subdivision for
263.4 persons with a primary diagnosis of developmental disabilities, serious and persistent mental
263.5 illness, or serious ~~emotional disturbance~~, mental illness in children without approval of the
263.6 county board of the county in which the demonstration is being implemented.

263.7 (b) MS 2009 Supplement [Expired, 2003 c 47 s 4; 2007 c 147 art 7 s 60]

263.8 (c) Before implementation of a demonstration project for persons with a disability, the
263.9 commissioner must provide information to appropriate committees of the house of
263.10 representatives and senate and must involve representatives of affected disability groups in
263.11 the design of the demonstration projects.

263.12 (d) A nursing facility reimbursed under the alternative reimbursement methodology in
263.13 section 256B.434 may, in collaboration with a hospital, clinic, or other health care entity
263.14 provide services under paragraph (a). The commissioner shall amend the state plan and seek
263.15 any federal waivers necessary to implement this paragraph.

263.16 (e) The commissioner, in consultation with the commissioners of commerce and health,
263.17 may approve and implement programs for all-inclusive care for the elderly (PACE) according
263.18 to federal laws and regulations governing that program and state laws or rules applicable
263.19 to participating providers. A PACE provider is not required to be licensed or certified as a
263.20 health plan company as defined in section 62Q.01, subdivision 4. Persons age 55 and older
263.21 who have been screened by the county and found to be eligible for services under the elderly
263.22 waiver or community access for disability inclusion or who are already eligible for Medicaid
263.23 but meet level of care criteria for receipt of waiver services may choose to enroll in the
263.24 PACE program. Medicare and Medicaid services will be provided according to this
263.25 subdivision and federal Medicare and Medicaid requirements governing PACE providers
263.26 and programs. PACE enrollees will receive Medicaid home and community-based services
263.27 through the PACE provider as an alternative to services for which they would otherwise be
263.28 eligible through home and community-based waiver programs and Medicaid State Plan
263.29 Services. The commissioner shall establish Medicaid rates for PACE providers that do not
263.30 exceed costs that would have been incurred under fee-for-service or other relevant managed
263.31 care programs operated by the state.

263.32 (f) The commissioner shall seek federal approval to expand the Minnesota disability
263.33 health options (MnDHO) program established under this subdivision in stages, first to
263.34 regional population centers outside the seven-county metro area and then to all areas of the

264.1 state. Until July 1, 2009, expansion for MnDHO projects that include home and
264.2 community-based services is limited to the two projects and service areas in effect on March
264.3 1, 2006. Enrollment in integrated MnDHO programs that include home and community-based
264.4 services shall remain voluntary. Costs for home and community-based services included
264.5 under MnDHO must not exceed costs that would have been incurred under the fee-for-service
264.6 program. Notwithstanding whether expansion occurs under this paragraph, in determining
264.7 MnDHO payment rates and risk adjustment methods, the commissioner must consider the
264.8 methods used to determine county allocations for home and community-based program
264.9 participants. If necessary to reduce MnDHO rates to comply with the provision regarding
264.10 MnDHO costs for home and community-based services, the commissioner shall achieve
264.11 the reduction by maintaining the base rate for contract year 2010 for services provided under
264.12 the community access for disability inclusion waiver at the same level as for contract year
264.13 2009. The commissioner may apply other reductions to MnDHO rates to implement decreases
264.14 in provider payment rates required by state law. Effective January 1, 2011, enrollment and
264.15 operation of the MnDHO program in effect during 2010 shall cease. The commissioner may
264.16 reopen the program provided all applicable conditions of this section are met. In developing
264.17 program specifications for expansion of integrated programs, the commissioner shall involve
264.18 and consult the state-level stakeholder group established in subdivision 28, paragraph (d),
264.19 including consultation on whether and how to include home and community-based waiver
264.20 programs. Plans to reopen MnDHO projects shall be presented to the chairs of the house of
264.21 representatives and senate committees with jurisdiction over health and human services
264.22 policy and finance prior to implementation.

264.23 (g) Notwithstanding section 256B.0621, health plans providing services under this section
264.24 are responsible for home care targeted case management and relocation targeted case
264.25 management. Services must be provided according to the terms of the waivers and contracts
264.26 approved by the federal government.

264.27 Sec. 69. Minnesota Statutes 2024, section 256B.77, subdivision 7a, is amended to read:

264.28 Subd. 7a. **Eligible individuals.** (a) Persons are eligible for the demonstration project as
264.29 provided in this subdivision.

264.30 (b) "Eligible individuals" means those persons living in the demonstration site who are
264.31 eligible for medical assistance and are disabled based on a disability determination under
264.32 section 256B.055, subdivisions 7 and 12, or who are eligible for medical assistance and
264.33 have been diagnosed as having:

264.34 (1) serious and persistent mental illness as defined in section 245.462, subdivision 20;

265.1 (2) ~~severe emotional disturbance~~ serious mental illness as defined in section 245.4871,
265.2 subdivision 6; or

265.3 (3) developmental disability, or being a person with a developmental disability as defined
265.4 in section 252A.02, or a related condition as defined in section 256B.02, subdivision 11.

265.5 Other individuals may be included at the option of the county authority based on agreement
265.6 with the commissioner.

265.7 (c) Eligible individuals include individuals in excluded time status, as defined in chapter
265.8 256G. Enrollees in excluded time at the time of enrollment shall remain in excluded time
265.9 status as long as they live in the demonstration site and shall be eligible for 90 days after
265.10 placement outside the demonstration site if they move to excluded time status in a county
265.11 within Minnesota other than their county of financial responsibility.

265.12 (d) A person who is a sexual psychopathic personality as defined in section 253D.02,
265.13 subdivision 15, or a sexually dangerous person as defined in section 253D.02, subdivision
265.14 16, is excluded from enrollment in the demonstration project.

265.15 Sec. 70. Minnesota Statutes 2024, section 260B.157, subdivision 3, is amended to read:

265.16 Subd. 3. **Juvenile treatment screening team.** (a) The local social services agency shall
265.17 establish a juvenile treatment screening team to conduct screenings and prepare case plans
265.18 under this subdivision. The team, which may be the team constituted under section 245.4885
265.19 or 256B.092 or chapter 254B, shall consist of social workers, juvenile justice professionals,
265.20 and persons with expertise in the treatment of juveniles who are emotionally disabled,
265.21 chemically dependent, or have a developmental disability. The team shall involve parents
265.22 or guardians in the screening process as appropriate. The team may be the same team as
265.23 defined in section 260C.157, subdivision 3.

265.24 (b) If the court, prior to, or as part of, a final disposition, proposes to place a child:

265.25 (1) for the primary purpose of treatment for ~~an emotional disturbance~~ mental illness,
265.26 and residential placement is consistent with section 260.012, a developmental disability, or
265.27 chemical dependency in a residential treatment facility out of state or in one which is within
265.28 the state and licensed by the commissioner of human services under chapter 245A; or

265.29 (2) in any out-of-home setting potentially exceeding 30 days in duration, including a
265.30 post-dispositional placement in a facility licensed by the commissioner of corrections or
265.31 human services, the court shall notify the county welfare agency. The county's juvenile
265.32 treatment screening team must either:

266.1 (i) screen and evaluate the child and file its recommendations with the court within 14
266.2 days of receipt of the notice; or

266.3 (ii) elect not to screen a given case, and notify the court of that decision within three
266.4 working days.

266.5 (c) If the screening team has elected to screen and evaluate the child, the child may not
266.6 be placed for the primary purpose of treatment for ~~an emotional disturbance~~ mental illness,
266.7 a developmental disability, or chemical dependency, in a residential treatment facility out
266.8 of state nor in a residential treatment facility within the state that is licensed under chapter
266.9 245A, unless one of the following conditions applies:

266.10 (1) a treatment professional certifies that an emergency requires the placement of the
266.11 child in a facility within the state;

266.12 (2) the screening team has evaluated the child and recommended that a residential
266.13 placement is necessary to meet the child's treatment needs and the safety needs of the
266.14 community, that it is a cost-effective means of meeting the treatment needs, and that it will
266.15 be of therapeutic value to the child; or

266.16 (3) the court, having reviewed a screening team recommendation against placement,
266.17 determines to the contrary that a residential placement is necessary. The court shall state
266.18 the reasons for its determination in writing, on the record, and shall respond specifically to
266.19 the findings and recommendation of the screening team in explaining why the
266.20 recommendation was rejected. The attorney representing the child and the prosecuting
266.21 attorney shall be afforded an opportunity to be heard on the matter.

266.22 Sec. 71. Minnesota Statutes 2024, section 260C.007, subdivision 16, is amended to read:

266.23 Subd. 16. ~~Emotionally disturbed~~ **Mental illness.** "~~Emotionally disturbed~~ Mental illness"
266.24 means ~~emotional disturbance~~ a mental illness as described in section 245.4871, subdivision
266.25 15.

266.26 Sec. 72. Minnesota Statutes 2024, section 260C.007, subdivision 26d, is amended to read:

266.27 Subd. 26d. **Qualified residential treatment program.** "Qualified residential treatment
266.28 program" means a children's residential treatment program licensed under chapter 245A or
266.29 licensed or approved by a tribe that is approved to receive foster care maintenance payments
266.30 under section 142A.418 that:

266.31 (1) has a trauma-informed treatment model designed to address the needs of children
266.32 with serious emotional or behavioral disorders or disturbances or mental illnesses;

- 267.1 (2) has registered or licensed nursing staff and other licensed clinical staff who:
- 267.2 (i) provide care within the scope of their practice; and
- 267.3 (ii) are available 24 hours per day and seven days per week;
- 267.4 (3) is accredited by any of the following independent, nonprofit organizations: the
- 267.5 Commission on Accreditation of Rehabilitation Facilities (CARF), the Joint Commission
- 267.6 on Accreditation of Healthcare Organizations (JCAHO), and the Council on Accreditation
- 267.7 (COA), or any other nonprofit accrediting organization approved by the United States
- 267.8 Department of Health and Human Services;
- 267.9 (4) if it is in the child's best interests, facilitates participation of the child's family members
- 267.10 in the child's treatment programming consistent with the child's out-of-home placement
- 267.11 plan under sections 260C.212, subdivision 1, and 260C.708;
- 267.12 (5) facilitates outreach to family members of the child, including siblings;
- 267.13 (6) documents how the facility facilitates outreach to the child's parents and relatives,
- 267.14 as well as documents the child's parents' and other relatives' contact information;
- 267.15 (7) documents how the facility includes family members in the child's treatment process,
- 267.16 including after the child's discharge, and how the facility maintains the child's sibling
- 267.17 connections; and
- 267.18 (8) provides the child and child's family with discharge planning and family-based
- 267.19 aftercare support for at least six months after the child's discharge. Aftercare support may
- 267.20 include clinical care consultation under section 256B.0671, subdivision 7, and mental health
- 267.21 certified family peer specialist services under section 256B.0616.

267.22 Sec. 73. Minnesota Statutes 2024, section 260C.007, subdivision 27b, is amended to read:

267.23 Subd. 27b. **Residential treatment facility.** "Residential treatment facility" means a

267.24 24-hour-a-day program that provides treatment for children with ~~emotional disturbance~~

267.25 mental illness, consistent with section 245.4871, subdivision 32, and includes a licensed

267.26 residential program specializing in caring 24 hours a day for children with a developmental

267.27 delay or related condition. A residential treatment facility does not include a psychiatric

267.28 residential treatment facility under section 256B.0941 or a family foster home as defined

267.29 in section 260C.007, subdivision 16b.

268.1 Sec. 74. Minnesota Statutes 2024, section 260C.157, subdivision 3, is amended to read:

268.2 Subd. 3. **Juvenile treatment screening team.** (a) The responsible social services agency
268.3 shall establish a juvenile treatment screening team to conduct screenings under this chapter
268.4 and chapter 260D, for a child to receive treatment for ~~an emotional disturbance~~ a mental
268.5 illness, a developmental disability, or related condition in a residential treatment facility
268.6 licensed by the commissioner of human services under chapter 245A, or licensed or approved
268.7 by a tribe. A screening team is not required for a child to be in: (1) a residential facility
268.8 specializing in prenatal, postpartum, or parenting support; (2) a facility specializing in
268.9 high-quality residential care and supportive services to children and youth who have been
268.10 or are at risk of becoming victims of sex trafficking or commercial sexual exploitation; (3)
268.11 supervised settings for youth who are 18 years of age or older and living independently; or
268.12 (4) a licensed residential family-based treatment facility for substance abuse consistent with
268.13 section 260C.190. Screenings are also not required when a child must be placed in a facility
268.14 due to an emotional crisis or other mental health emergency.

268.15 (b) The responsible social services agency shall conduct screenings within 15 days of a
268.16 request for a screening, unless the screening is for the purpose of residential treatment and
268.17 the child is enrolled in a prepaid health program under section 256B.69, in which case the
268.18 agency shall conduct the screening within ten working days of a request. The responsible
268.19 social services agency shall convene the juvenile treatment screening team, which may be
268.20 constituted under section 245.4885, 254B.05, or 256B.092. The team shall consist of social
268.21 workers; persons with expertise in the treatment of juveniles who are emotionally disturbed,
268.22 chemically dependent, or have a developmental disability; and the child's parent, guardian,
268.23 or permanent legal custodian. The team may include the child's relatives as defined in section
268.24 260C.007, subdivisions 26b and 27, the child's foster care provider, and professionals who
268.25 are a resource to the child's family such as teachers, medical or mental health providers,
268.26 and clergy, as appropriate, consistent with the family and permanency team as defined in
268.27 section 260C.007, subdivision 16a. Prior to forming the team, the responsible social services
268.28 agency must consult with the child's parents, the child if the child is age 14 or older, and,
268.29 if applicable, the child's tribe to obtain recommendations regarding which individuals to
268.30 include on the team and to ensure that the team is family-centered and will act in the child's
268.31 best interests. If the child, child's parents, or legal guardians raise concerns about specific
268.32 relatives or professionals, the team should not include those individuals. This provision
268.33 does not apply to paragraph (c).

268.34 (c) If the agency provides notice to tribes under section 260.761, and the child screened
268.35 is an Indian child, the responsible social services agency must make a rigorous and concerted

269.1 effort to include a designated representative of the Indian child's tribe on the juvenile
269.2 treatment screening team, unless the child's tribal authority declines to appoint a
269.3 representative. The Indian child's tribe may delegate its authority to represent the child to
269.4 any other federally recognized Indian tribe, as defined in section 260.755, subdivision 12.
269.5 The provisions of the Indian Child Welfare Act of 1978, United States Code, title 25, sections
269.6 1901 to 1963, and the Minnesota Indian Family Preservation Act, sections 260.751 to
269.7 260.835, apply to this section.

269.8 (d) If the court, prior to, or as part of, a final disposition or other court order, proposes
269.9 to place a child with ~~an emotional disturbance or~~ a mental illness, developmental disability,
269.10 or related condition in residential treatment, the responsible social services agency must
269.11 conduct a screening. If the team recommends treating the child in a qualified residential
269.12 treatment program, the agency must follow the requirements of sections 260C.70 to
269.13 260C.714.

269.14 The court shall ascertain whether the child is an Indian child and shall notify the
269.15 responsible social services agency and, if the child is an Indian child, shall notify the Indian
269.16 child's tribe as paragraph (c) requires.

269.17 (e) When the responsible social services agency is responsible for placing and caring
269.18 for the child and the screening team recommends placing a child in a qualified residential
269.19 treatment program as defined in section 260C.007, subdivision 26d, the agency must: (1)
269.20 begin the assessment and processes required in section 260C.704 without delay; and (2)
269.21 conduct a relative search according to section 260C.221 to assemble the child's family and
269.22 permanency team under section 260C.706. Prior to notifying relatives regarding the family
269.23 and permanency team, the responsible social services agency must consult with the child's
269.24 parent or legal guardian, the child if the child is age 14 or older, and, if applicable, the child's
269.25 tribe to ensure that the agency is providing notice to individuals who will act in the child's
269.26 best interests. The child and the child's parents may identify a culturally competent qualified
269.27 individual to complete the child's assessment. The agency shall make efforts to refer the
269.28 assessment to the identified qualified individual. The assessment may not be delayed for
269.29 the purpose of having the assessment completed by a specific qualified individual.

269.30 (f) When a screening team determines that a child does not need treatment in a qualified
269.31 residential treatment program, the screening team must:

269.32 (1) document the services and supports that will prevent the child's foster care placement
269.33 and will support the child remaining at home;

270.1 (2) document the services and supports that the agency will arrange to place the child
270.2 in a family foster home; or

270.3 (3) document the services and supports that the agency has provided in any other setting.

270.4 (g) When the Indian child's tribe or tribal health care services provider or Indian Health
270.5 Services provider proposes to place a child for the primary purpose of treatment for an
270.6 ~~emotional disturbance~~ mental illness, a developmental disability, or co-occurring ~~emotional~~
270.7 ~~disturbance~~ mental illness and chemical dependency, the Indian child's tribe or the tribe
270.8 delegated by the child's tribe shall submit necessary documentation to the county juvenile
270.9 treatment screening team, which must invite the Indian child's tribe to designate a
270.10 representative to the screening team.

270.11 (h) The responsible social services agency must conduct and document the screening in
270.12 a format approved by the commissioner of human services.

270.13 Sec. 75. Minnesota Statutes 2024, section 260C.201, subdivision 1, is amended to read:

270.14 Subdivision 1. **Dispositions.** (a) If the court finds that the child is in need of protection
270.15 or services or neglected and in foster care, the court shall enter an order making any of the
270.16 following dispositions of the case:

270.17 (1) place the child under the protective supervision of the responsible social services
270.18 agency or child-placing agency in the home of a parent of the child under conditions
270.19 prescribed by the court directed to the correction of the child's need for protection or services:

270.20 (i) the court may order the child into the home of a parent who does not otherwise have
270.21 legal custody of the child, however, an order under this section does not confer legal custody
270.22 on that parent;

270.23 (ii) if the court orders the child into the home of a father who is not adjudicated, the
270.24 father must cooperate with paternity establishment proceedings regarding the child in the
270.25 appropriate jurisdiction as one of the conditions prescribed by the court for the child to
270.26 continue in the father's home; and

270.27 (iii) the court may order the child into the home of a noncustodial parent with conditions
270.28 and may also order both the noncustodial and the custodial parent to comply with the
270.29 requirements of a case plan under subdivision 2; or

270.30 (2) transfer legal custody to one of the following:

270.31 (i) a child-placing agency; or

271.1 (ii) the responsible social services agency. In making a foster care placement of a child
271.2 whose custody has been transferred under this subdivision, the agency shall make an
271.3 individualized determination of how the placement is in the child's best interests using the
271.4 placement consideration order for relatives and the best interest factors in section 260C.212,
271.5 subdivision 2, and may include a child colocated with a parent in a licensed residential
271.6 family-based substance use disorder treatment program under section 260C.190; or

271.7 (3) order a trial home visit without modifying the transfer of legal custody to the
271.8 responsible social services agency under clause (2). Trial home visit means the child is
271.9 returned to the care of the parent or guardian from whom the child was removed for a period
271.10 not to exceed six months. During the period of the trial home visit, the responsible social
271.11 services agency:

271.12 (i) shall continue to have legal custody of the child, which means that the agency may
271.13 see the child in the parent's home, at school, in a child care facility, or other setting as the
271.14 agency deems necessary and appropriate;

271.15 (ii) shall continue to have the ability to access information under section 260C.208;

271.16 (iii) shall continue to provide appropriate services to both the parent and the child during
271.17 the period of the trial home visit;

271.18 (iv) without previous court order or authorization, may terminate the trial home visit in
271.19 order to protect the child's health, safety, or welfare and may remove the child to foster care;

271.20 (v) shall advise the court and parties within three days of the termination of the trial
271.21 home visit when a visit is terminated by the responsible social services agency without a
271.22 court order; and

271.23 (vi) shall prepare a report for the court when the trial home visit is terminated whether
271.24 by the agency or court order that describes the child's circumstances during the trial home
271.25 visit and recommends appropriate orders, if any, for the court to enter to provide for the
271.26 child's safety and stability. In the event a trial home visit is terminated by the agency by
271.27 removing the child to foster care without prior court order or authorization, the court shall
271.28 conduct a hearing within ten days of receiving notice of the termination of the trial home
271.29 visit by the agency and shall order disposition under this subdivision or commence
271.30 permanency proceedings under sections 260C.503 to 260C.515. The time period for the
271.31 hearing may be extended by the court for good cause shown and if it is in the best interests
271.32 of the child as long as the total time the child spends in foster care without a permanency
271.33 hearing does not exceed 12 months;

272.1 (4) if the child has been adjudicated as a child in need of protection or services because
272.2 the child is in need of special services or care to treat or ameliorate a physical or mental
272.3 disability or ~~emotional disturbance~~ a mental illness as defined in section 245.4871,
272.4 subdivision 15, the court may order the child's parent, guardian, or custodian to provide it.
272.5 The court may order the child's health plan company to provide mental health services to
272.6 the child. Section 62Q.535 applies to an order for mental health services directed to the
272.7 child's health plan company. If the health plan, parent, guardian, or custodian fails or is
272.8 unable to provide this treatment or care, the court may order it provided. Absent specific
272.9 written findings by the court that the child's disability is the result of abuse or neglect by
272.10 the child's parent or guardian, the court shall not transfer legal custody of the child for the
272.11 purpose of obtaining special treatment or care solely because the parent is unable to provide
272.12 the treatment or care. If the court's order for mental health treatment is based on a diagnosis
272.13 made by a treatment professional, the court may order that the diagnosing professional not
272.14 provide the treatment to the child if it finds that such an order is in the child's best interests;
272.15 or

272.16 (5) if the court believes that the child has sufficient maturity and judgment and that it is
272.17 in the best interests of the child, the court may order a child 16 years old or older to be
272.18 allowed to live independently, either alone or with others as approved by the court under
272.19 supervision the court considers appropriate, if the county board, after consultation with the
272.20 court, has specifically authorized this dispositional alternative for a child.

272.21 (b) If the child was adjudicated in need of protection or services because the child is a
272.22 runaway or habitual truant, the court may order any of the following dispositions in addition
272.23 to or as alternatives to the dispositions authorized under paragraph (a):

272.24 (1) counsel the child or the child's parents, guardian, or custodian;

272.25 (2) place the child under the supervision of a probation officer or other suitable person
272.26 in the child's own home under conditions prescribed by the court, including reasonable rules
272.27 for the child's conduct and the conduct of the parents, guardian, or custodian, designed for
272.28 the physical, mental, and moral well-being and behavior of the child;

272.29 (3) subject to the court's supervision, transfer legal custody of the child to one of the
272.30 following:

272.31 (i) a reputable person of good moral character. No person may receive custody of two
272.32 or more unrelated children unless licensed to operate a residential program under sections
272.33 245A.01 to 245A.16; or

273.1 (ii) a county probation officer for placement in a group foster home established under
273.2 the direction of the juvenile court and licensed pursuant to section 241.021;

273.3 (4) require the child to pay a fine of up to \$100. The court shall order payment of the
273.4 fine in a manner that will not impose undue financial hardship upon the child;

273.5 (5) require the child to participate in a community service project;

273.6 (6) order the child to undergo a chemical dependency evaluation and, if warranted by
273.7 the evaluation, order participation by the child in a drug awareness program or an inpatient
273.8 or outpatient chemical dependency treatment program;

273.9 (7) if the court believes that it is in the best interests of the child or of public safety that
273.10 the child's driver's license or instruction permit be canceled, the court may order the
273.11 commissioner of public safety to cancel the child's license or permit for any period up to
273.12 the child's 18th birthday. If the child does not have a driver's license or permit, the court
273.13 may order a denial of driving privileges for any period up to the child's 18th birthday. The
273.14 court shall forward an order issued under this clause to the commissioner, who shall cancel
273.15 the license or permit or deny driving privileges without a hearing for the period specified
273.16 by the court. At any time before the expiration of the period of cancellation or denial, the
273.17 court may, for good cause, order the commissioner of public safety to allow the child to
273.18 apply for a license or permit, and the commissioner shall so authorize;

273.19 (8) order that the child's parent or legal guardian deliver the child to school at the
273.20 beginning of each school day for a period of time specified by the court; or

273.21 (9) require the child to perform any other activities or participate in any other treatment
273.22 programs deemed appropriate by the court.

273.23 To the extent practicable, the court shall enter a disposition order the same day it makes
273.24 a finding that a child is in need of protection or services or neglected and in foster care, but
273.25 in no event more than 15 days after the finding unless the court finds that the best interests
273.26 of the child will be served by granting a delay. If the child was under eight years of age at
273.27 the time the petition was filed, the disposition order must be entered within ten days of the
273.28 finding and the court may not grant a delay unless good cause is shown and the court finds
273.29 the best interests of the child will be served by the delay.

273.30 (c) If a child who is 14 years of age or older is adjudicated in need of protection or
273.31 services because the child is a habitual truant and truancy procedures involving the child
273.32 were previously dealt with by a school attendance review board or county attorney mediation
273.33 program under section 260A.06 or 260A.07, the court shall order a cancellation or denial

274.1 of driving privileges under paragraph (b), clause (7), for any period up to the child's 18th
274.2 birthday.

274.3 (d) In the case of a child adjudicated in need of protection or services because the child
274.4 has committed domestic abuse and been ordered excluded from the child's parent's home,
274.5 the court shall dismiss jurisdiction if the court, at any time, finds the parent is able or willing
274.6 to provide an alternative safe living arrangement for the child as defined in paragraph (f).

274.7 (e) When a parent has complied with a case plan ordered under subdivision 6 and the
274.8 child is in the care of the parent, the court may order the responsible social services agency
274.9 to monitor the parent's continued ability to maintain the child safely in the home under such
274.10 terms and conditions as the court determines appropriate under the circumstances.

274.11 (f) For the purposes of this subdivision, "alternative safe living arrangement" means a
274.12 living arrangement for a child proposed by a petitioning parent or guardian if a court excludes
274.13 the minor from the parent's or guardian's home that is separate from the victim of domestic
274.14 abuse and safe for the child respondent. A living arrangement proposed by a petitioning
274.15 parent or guardian is presumed to be an alternative safe living arrangement absent information
274.16 to the contrary presented to the court. In evaluating any proposed living arrangement, the
274.17 court shall consider whether the arrangement provides the child with necessary food, clothing,
274.18 shelter, and education in a safe environment. Any proposed living arrangement that would
274.19 place the child in the care of an adult who has been physically or sexually violent is presumed
274.20 unsafe.

274.21 Sec. 76. Minnesota Statutes 2024, section 260C.201, subdivision 2, is amended to read:

274.22 Subd. 2. **Written findings.** (a) Any order for a disposition authorized under this section
274.23 shall contain written findings of fact to support the disposition and case plan ordered and
274.24 shall also set forth in writing the following information:

274.25 (1) why the best interests and safety of the child are served by the disposition and case
274.26 plan ordered;

274.27 (2) what alternative dispositions or services under the case plan were considered by the
274.28 court and why such dispositions or services were not appropriate in the instant case;

274.29 (3) when legal custody of the child is transferred, the appropriateness of the particular
274.30 placement made or to be made by the placing agency using the relative and sibling placement
274.31 considerations and best interest factors in section 260C.212, subdivision 2, or the
274.32 appropriateness of a child colocated with a parent in a licensed residential family-based
274.33 substance use disorder treatment program under section 260C.190;

275.1 (4) whether reasonable efforts to finalize the permanent plan for the child consistent
275.2 with section 260.012 were made including reasonable efforts:

275.3 (i) to prevent the child's placement and to reunify the child with the parent or guardian
275.4 from whom the child was removed at the earliest time consistent with the child's safety.

275.5 The court's findings must include a brief description of what preventive and reunification
275.6 efforts were made and why further efforts could not have prevented or eliminated the
275.7 necessity of removal or that reasonable efforts were not required under section 260.012 or
275.8 260C.178, subdivision 1;

275.9 (ii) to identify and locate any noncustodial or nonresident parent of the child and to
275.10 assess such parent's ability to provide day-to-day care of the child, and, where appropriate,
275.11 provide services necessary to enable the noncustodial or nonresident parent to safely provide
275.12 day-to-day care of the child as required under section 260C.219, unless such services are
275.13 not required under section 260.012 or 260C.178, subdivision 1. The court's findings must
275.14 include a description of the agency's efforts to:

275.15 (A) identify and locate the child's noncustodial or nonresident parent;

275.16 (B) assess the noncustodial or nonresident parent's ability to provide day-to-day care of
275.17 the child; and

275.18 (C) if appropriate, provide services necessary to enable the noncustodial or nonresident
275.19 parent to safely provide the child's day-to-day care, including efforts to engage the
275.20 noncustodial or nonresident parent in assuming care and responsibility of the child;

275.21 (iii) to make the diligent search for relatives and provide the notices required under
275.22 section 260C.221; a finding made pursuant to a hearing under section 260C.202 that the
275.23 agency has made diligent efforts to conduct a relative search and has appropriately engaged
275.24 relatives who responded to the notice under section 260C.221 and other relatives, who came
275.25 to the attention of the agency after notice under section 260C.221 was sent, in placement
275.26 and case planning decisions fulfills the requirement of this item;

275.27 (iv) to identify and make a foster care placement of the child, considering the order in
275.28 section 260C.212, subdivision 2, paragraph (a), in the home of an unlicensed relative,
275.29 according to the requirements of section 142B.06, a licensed relative, or other licensed foster
275.30 care provider, who will commit to being the permanent legal parent or custodian for the
275.31 child in the event reunification cannot occur, but who will actively support the reunification
275.32 plan for the child. If the court finds that the agency has not appropriately considered relatives
275.33 for placement of the child, the court shall order the agency to comply with section 260C.212,

276.1 subdivision 2, paragraph (a). The court may order the agency to continue considering
276.2 relatives for placement of the child regardless of the child's current placement setting; and

276.3 (v) to place siblings together in the same home or to ensure visitation is occurring when
276.4 siblings are separated in foster care placement and visitation is in the siblings' best interests
276.5 under section 260C.212, subdivision 2, paragraph (d); and

276.6 (5) if the child has been adjudicated as a child in need of protection or services because
276.7 the child is in need of special services or care to treat or ameliorate a mental disability or
276.8 ~~emotional disturbance~~ a mental illness as defined in section 245.4871, subdivision 15, the
276.9 written findings shall also set forth:

276.10 (i) whether the child has mental health needs that must be addressed by the case plan;

276.11 (ii) what consideration was given to the diagnostic and functional assessments performed
276.12 by the child's mental health professional and to health and mental health care professionals'
276.13 treatment recommendations;

276.14 (iii) what consideration was given to the requests or preferences of the child's parent or
276.15 guardian with regard to the child's interventions, services, or treatment; and

276.16 (iv) what consideration was given to the cultural appropriateness of the child's treatment
276.17 or services.

276.18 (b) If the court finds that the social services agency's preventive or reunification efforts
276.19 have not been reasonable but that further preventive or reunification efforts could not permit
276.20 the child to safely remain at home, the court may nevertheless authorize or continue the
276.21 removal of the child.

276.22 (c) If the child has been identified by the responsible social services agency as the subject
276.23 of concurrent permanency planning, the court shall review the reasonable efforts of the
276.24 agency to develop a permanency plan for the child that includes a primary plan that is for
276.25 reunification with the child's parent or guardian and a secondary plan that is for an alternative,
276.26 legally permanent home for the child in the event reunification cannot be achieved in a
276.27 timely manner.

276.28 Sec. 77. Minnesota Statutes 2024, section 260C.301, subdivision 4, is amended to read:

276.29 Subd. 4. **Current foster care children.** Except for cases where the child is in placement
276.30 due solely to the child's developmental disability or ~~emotional disturbance~~ a mental illness,
276.31 where custody has not been transferred to the responsible social services agency, and where
276.32 the court finds compelling reasons to continue placement, the county attorney shall file a

277.1 termination of parental rights petition or a petition to transfer permanent legal and physical
 277.2 custody to a relative under section 260C.515, subdivision 4, for all children who have been
 277.3 in out-of-home care for 15 of the most recent 22 months. This requirement does not apply
 277.4 if there is a compelling reason approved by the court for determining that filing a termination
 277.5 of parental rights petition or other permanency petition would not be in the best interests
 277.6 of the child or if the responsible social services agency has not provided reasonable efforts
 277.7 necessary for the safe return of the child, if reasonable efforts are required.

277.8 Sec. 78. Minnesota Statutes 2024, section 260D.01, is amended to read:

277.9 **260D.01 CHILD IN VOLUNTARY FOSTER CARE FOR TREATMENT.**

277.10 (a) Sections 260D.01 to 260D.10, may be cited as the "child in voluntary foster care for
 277.11 treatment" provisions of the Juvenile Court Act.

277.12 (b) The juvenile court has original and exclusive jurisdiction over a child in voluntary
 277.13 foster care for treatment upon the filing of a report or petition required under this chapter.
 277.14 All obligations of the responsible social services agency to a child and family in foster care
 277.15 contained in chapter 260C not inconsistent with this chapter are also obligations of the
 277.16 agency with regard to a child in foster care for treatment under this chapter.

277.17 (c) This chapter shall be construed consistently with the mission of the children's mental
 277.18 health service system as set out in section 245.487, subdivision 3, and the duties of an agency
 277.19 under sections 256B.092 and 260C.157 and Minnesota Rules, parts 9525.0004 to 9525.0016,
 277.20 to meet the needs of a child with a developmental disability or related condition. This
 277.21 chapter:

277.22 (1) establishes voluntary foster care through a voluntary foster care agreement as the
 277.23 means for an agency and a parent to provide needed treatment when the child must be in
 277.24 foster care to receive necessary treatment for ~~an emotional disturbance or~~ a mental illness,
 277.25 developmental disability, or related condition;

277.26 (2) establishes court review requirements for a child in voluntary foster care for treatment
 277.27 due to ~~emotional disturbance or~~ a mental illness, developmental disability, or a related
 277.28 condition;

277.29 (3) establishes the ongoing responsibility of the parent as legal custodian to visit the
 277.30 child, to plan together with the agency for the child's treatment needs, to be available and
 277.31 accessible to the agency to make treatment decisions, and to obtain necessary medical,
 277.32 dental, and other care for the child;

278.1 (4) applies to voluntary foster care when the child's parent and the agency agree that the
278.2 child's treatment needs require foster care either:

278.3 (i) due to a level of care determination by the agency's screening team informed by the
278.4 child's diagnostic and functional assessment under section 245.4885; or

278.5 (ii) due to a determination regarding the level of services needed by the child by the
278.6 responsible social services agency's screening team under section 256B.092, and Minnesota
278.7 Rules, parts 9525.0004 to 9525.0016; and

278.8 (5) includes the requirements for a child's placement in sections 260C.70 to 260C.714,
278.9 when the juvenile treatment screening team recommends placing a child in a qualified
278.10 residential treatment program, except as modified by this chapter.

278.11 (d) This chapter does not apply when there is a current determination under chapter
278.12 260E that the child requires child protective services or when the child is in foster care for
278.13 any reason other than treatment for the child's ~~emotional disturbance or~~ mental illness,
278.14 developmental disability₂ or related condition. When there is a determination under chapter
278.15 260E that the child requires child protective services based on an assessment that there are
278.16 safety and risk issues for the child that have not been mitigated through the parent's
278.17 engagement in services or otherwise, or when the child is in foster care for any reason other
278.18 than the child's ~~emotional disturbance or~~ mental illness, developmental disability₂ or related
278.19 condition, the provisions of chapter 260C apply.

278.20 (e) The paramount consideration in all proceedings concerning a child in voluntary foster
278.21 care for treatment is the safety, health, and the best interests of the child. The purpose of
278.22 this chapter is:

278.23 (1) to ensure that a child with a disability is provided the services necessary to treat or
278.24 ameliorate the symptoms of the child's disability;

278.25 (2) to preserve and strengthen the child's family ties whenever possible and in the child's
278.26 best interests, approving the child's placement away from the child's parents only when the
278.27 child's need for care or treatment requires out-of-home placement and the child cannot be
278.28 maintained in the home of the parent; and

278.29 (3) to ensure that the child's parent retains legal custody of the child and associated
278.30 decision-making authority unless the child's parent willfully fails or is unable to make
278.31 decisions that meet the child's safety, health, and best interests. The court may not find that
278.32 the parent willfully fails or is unable to make decisions that meet the child's needs solely
278.33 because the parent disagrees with the agency's choice of foster care facility, unless the

279.1 agency files a petition under chapter 260C, and establishes by clear and convincing evidence
279.2 that the child is in need of protection or services.

279.3 (f) The legal parent-child relationship shall be supported under this chapter by maintaining
279.4 the parent's legal authority and responsibility for ongoing planning for the child and by the
279.5 agency's assisting the parent, when necessary, to exercise the parent's ongoing right and
279.6 obligation to visit or to have reasonable contact with the child. Ongoing planning means:

279.7 (1) actively participating in the planning and provision of educational services, medical,
279.8 and dental care for the child;

279.9 (2) actively planning and participating with the agency and the foster care facility for
279.10 the child's treatment needs;

279.11 (3) planning to meet the child's need for safety, stability, and permanency, and the child's
279.12 need to stay connected to the child's family and community;

279.13 (4) engaging with the responsible social services agency to ensure that the family and
279.14 permanency team under section 260C.706 consists of appropriate family members. For
279.15 purposes of voluntary placement of a child in foster care for treatment under chapter 260D,
279.16 prior to forming the child's family and permanency team, the responsible social services
279.17 agency must consult with the child's parent or legal guardian, the child if the child is 14
279.18 years of age or older, and, if applicable, the child's Tribe to obtain recommendations regarding
279.19 which individuals to include on the team and to ensure that the team is family-centered and
279.20 will act in the child's best interests. If the child, child's parents, or legal guardians raise
279.21 concerns about specific relatives or professionals, the team should not include those
279.22 individuals unless the individual is a treating professional or an important connection to the
279.23 youth as outlined in the case or crisis plan; and

279.24 (5) for a voluntary placement under this chapter in a qualified residential treatment
279.25 program, as defined in section 260C.007, subdivision 26d, for purposes of engaging in a
279.26 relative search as provided in section 260C.221, the county agency must consult with the
279.27 child's parent or legal guardian, the child if the child is 14 years of age or older, and, if
279.28 applicable, the child's Tribe to obtain recommendations regarding which adult relatives the
279.29 county agency should notify. If the child, child's parents, or legal guardians raise concerns
279.30 about specific relatives, the county agency should not notify those relatives.

279.31 (g) The provisions of section 260.012 to ensure placement prevention, family
279.32 reunification, and all active and reasonable effort requirements of that section apply.

280.1 Sec. 79. Minnesota Statutes 2024, section 260D.02, subdivision 5, is amended to read:

280.2 Subd. 5. **Child in voluntary foster care for treatment.** "Child in voluntary foster care
280.3 for treatment" means a child with ~~emotional disturbance~~ a mental illness or developmental
280.4 disability, or who has a related condition and is in foster care under a voluntary foster care
280.5 agreement between the child's parent and the agency due to concurrence between the agency
280.6 and the parent when it is determined that foster care is medically necessary:

280.7 (1) due to a determination by the agency's screening team based on its review of the
280.8 diagnostic and functional assessment under section 245.4885; or

280.9 (2) due to a determination by the agency's screening team under section 256B.092 and
280.10 Minnesota Rules, parts 9525.0004 to 9525.0016.

280.11 A child is not in voluntary foster care for treatment under this chapter when there is a
280.12 current determination under chapter 260E that the child requires child protective services
280.13 or when the child is in foster care for any reason other than the child's ~~emotional or~~ mental
280.14 illness, developmental disability, or related condition.

280.15 Sec. 80. Minnesota Statutes 2024, section 260D.02, subdivision 9, is amended to read:

280.16 Subd. 9. ~~Emotional disturbance~~ Mental illness. "~~Emotional disturbance~~ Mental illness"
280.17 means ~~emotional disturbance~~ a mental illness as described in section 245.4871, subdivision
280.18 15.

280.19 Sec. 81. Minnesota Statutes 2024, section 260D.03, subdivision 1, is amended to read:

280.20 Subdivision 1. **Voluntary foster care.** When the agency's screening team, based upon
280.21 the diagnostic and functional assessment under section 245.4885 or medical necessity
280.22 screenings under section 256B.092, subdivision 7, determines the child's need for treatment
280.23 due to ~~emotional disturbance or~~ a mental illness, developmental disability, or related condition
280.24 requires foster care placement of the child, a voluntary foster care agreement between the
280.25 child's parent and the agency gives the agency legal authority to place the child in foster
280.26 care.

281.1 Sec. 82. Minnesota Statutes 2024, section 260D.04, is amended to read:

281.2 **260D.04 REQUIRED INFORMATION FOR A CHILD IN VOLUNTARY FOSTER**
281.3 **CARE FOR TREATMENT.**

281.4 An agency with authority to place a child in voluntary foster care for treatment due to
281.5 ~~emotional disturbance or a mental illness~~, developmental disability₂ or related condition;
281.6 shall inform the child, age 12 or older, of the following:

281.7 (1) the child has the right to be consulted in the preparation of the out-of-home placement
281.8 plan required under section 260C.212, subdivision 1, and the administrative review required
281.9 under section 260C.203;

281.10 (2) the child has the right to visit the parent and the right to visit the child's siblings as
281.11 determined safe and appropriate by the parent and the agency;

281.12 (3) if the child disagrees with the foster care facility or services provided under the
281.13 out-of-home placement plan required under section 260C.212, subdivision 1, the agency
281.14 shall include information about the nature of the child's disagreement and, to the extent
281.15 possible, the agency's understanding of the basis of the child's disagreement in the information
281.16 provided to the court in the report required under section 260D.06; and

281.17 (4) the child has the rights established under Minnesota Rules, part 2960.0050, as a
281.18 resident of a facility licensed by the state.

281.19 Sec. 83. Minnesota Statutes 2024, section 260D.06, subdivision 2, is amended to read:

281.20 Subd. 2. **Agency report to court; court review.** The agency shall obtain judicial review
281.21 by reporting to the court according to the following procedures:

281.22 (a) A written report shall be forwarded to the court within 165 days of the date of the
281.23 voluntary placement agreement. The written report shall contain or have attached:

281.24 (1) a statement of facts that necessitate the child's foster care placement;

281.25 (2) the child's name, date of birth, race, gender, and current address;

281.26 (3) the names, race, date of birth, residence, and post office addresses of the child's
281.27 parents or legal custodian;

281.28 (4) a statement regarding the child's eligibility for membership or enrollment in an Indian
281.29 tribe and the agency's compliance with applicable provisions of sections 260.751 to 260.835;

281.30 (5) the names and addresses of the foster parents or chief administrator of the facility in
281.31 which the child is placed, if the child is not in a family foster home or group home;

282.1 (6) a copy of the out-of-home placement plan required under section 260C.212,
282.2 subdivision 1;

282.3 (7) a written summary of the proceedings of any administrative review required under
282.4 section 260C.203;

282.5 (8) evidence as specified in section 260C.712 when a child is placed in a qualified
282.6 residential treatment program as defined in section 260C.007, subdivision 26d; and

282.7 (9) any other information the agency, parent or legal custodian, the child or the foster
282.8 parent, or other residential facility wants the court to consider.

282.9 (b) In the case of a child in placement due to ~~emotional disturbance~~ a mental illness, the
282.10 written report shall include as an attachment, the child's individual treatment plan developed
282.11 by the child's treatment professional, as provided in section 245.4871, subdivision 21, or
282.12 the child's standard written plan, as provided in section 125A.023, subdivision 3, paragraph
282.13 (e).

282.14 (c) In the case of a child in placement due to developmental disability or a related
282.15 condition, the written report shall include as an attachment, the child's individual service
282.16 plan, as provided in section 256B.092, subdivision 1b; the child's individual program plan,
282.17 as provided in Minnesota Rules, part 9525.0004, subpart 11; the child's waiver care plan;
282.18 or the child's standard written plan, as provided in section 125A.023, subdivision 3, paragraph
282.19 (e).

282.20 (d) The agency must inform the child, age 12 or older, the child's parent, and the foster
282.21 parent or foster care facility of the reporting and court review requirements of this section
282.22 and of their right to submit information to the court:

282.23 (1) if the child or the child's parent or the foster care provider wants to send information
282.24 to the court, the agency shall advise those persons of the reporting date and the date by
282.25 which the agency must receive the information they want forwarded to the court so the
282.26 agency is timely able submit it with the agency's report required under this subdivision;

282.27 (2) the agency must also inform the child, age 12 or older, the child's parent, and the
282.28 foster care facility that they have the right to be heard in person by the court and how to
282.29 exercise that right;

282.30 (3) the agency must also inform the child, age 12 or older, the child's parent, and the
282.31 foster care provider that an in-court hearing will be held if requested by the child, the parent,
282.32 or the foster care provider; and

283.1 (4) if, at the time required for the report under this section, a child, age 12 or older,
283.2 disagrees about the foster care facility or services provided under the out-of-home placement
283.3 plan required under section 260C.212, subdivision 1, the agency shall include information
283.4 regarding the child's disagreement, and to the extent possible, the basis for the child's
283.5 disagreement in the report required under this section.

283.6 (e) After receiving the required report, the court has jurisdiction to make the following
283.7 determinations and must do so within ten days of receiving the forwarded report, whether
283.8 a hearing is requested:

283.9 (1) whether the voluntary foster care arrangement is in the child's best interests;

283.10 (2) whether the parent and agency are appropriately planning for the child; and

283.11 (3) in the case of a child age 12 or older, who disagrees with the foster care facility or
283.12 services provided under the out-of-home placement plan, whether it is appropriate to appoint
283.13 counsel and a guardian ad litem for the child using standards and procedures under section
283.14 260C.163.

283.15 (f) Unless requested by a parent, representative of the foster care facility, or the child,
283.16 no in-court hearing is required in order for the court to make findings and issue an order as
283.17 required in paragraph (e).

283.18 (g) If the court finds the voluntary foster care arrangement is in the child's best interests
283.19 and that the agency and parent are appropriately planning for the child, the court shall issue
283.20 an order containing explicit, individualized findings to support its determination. The
283.21 individualized findings shall be based on the agency's written report and other materials
283.22 submitted to the court. The court may make this determination notwithstanding the child's
283.23 disagreement, if any, reported under paragraph (d).

283.24 (h) The court shall send a copy of the order to the county attorney, the agency, parent,
283.25 child, age 12 or older, and the foster parent or foster care facility.

283.26 (i) The court shall also send the parent, the child, age 12 or older, the foster parent, or
283.27 representative of the foster care facility notice of the permanency review hearing required
283.28 under section 260D.07, paragraph (e).

283.29 (j) If the court finds continuing the voluntary foster care arrangement is not in the child's
283.30 best interests or that the agency or the parent are not appropriately planning for the child,
283.31 the court shall notify the agency, the parent, the foster parent or foster care facility, the child,
283.32 age 12 or older, and the county attorney of the court's determinations and the basis for the

284.1 court's determinations. In this case, the court shall set the matter for hearing and appoint a
284.2 guardian ad litem for the child under section 260C.163, subdivision 5.

284.3 Sec. 84. Minnesota Statutes 2024, section 260D.07, is amended to read:

284.4 **260D.07 REQUIRED PERMANENCY REVIEW HEARING.**

284.5 (a) When the court has found that the voluntary arrangement is in the child's best interests
284.6 and that the agency and parent are appropriately planning for the child pursuant to the report
284.7 submitted under section 260D.06, and the child continues in voluntary foster care as defined
284.8 in section 260D.02, subdivision 10, for 13 months from the date of the voluntary foster care
284.9 agreement, or has been in placement for 15 of the last 22 months, the agency must:

284.10 (1) terminate the voluntary foster care agreement and return the child home; or

284.11 (2) determine whether there are compelling reasons to continue the voluntary foster care
284.12 arrangement and, if the agency determines there are compelling reasons, seek judicial
284.13 approval of its determination; or

284.14 (3) file a petition for the termination of parental rights.

284.15 (b) When the agency is asking for the court's approval of its determination that there are
284.16 compelling reasons to continue the child in the voluntary foster care arrangement, the agency
284.17 shall file a "Petition for Permanency Review Regarding a Child in Voluntary Foster Care
284.18 for Treatment" and ask the court to proceed under this section.

284.19 (c) The "Petition for Permanency Review Regarding a Child in Voluntary Foster Care
284.20 for Treatment" shall be drafted or approved by the county attorney and be under oath. The
284.21 petition shall include:

284.22 (1) the date of the voluntary placement agreement;

284.23 (2) whether the petition is due to the child's developmental disability or ~~emotional~~
284.24 ~~disturbance~~ mental illness;

284.25 (3) the plan for the ongoing care of the child and the parent's participation in the plan;

284.26 (4) a description of the parent's visitation and contact with the child;

284.27 (5) the date of the court finding that the foster care placement was in the best interests
284.28 of the child, if required under section 260D.06, or the date the agency filed the motion under
284.29 section 260D.09, paragraph (b);

284.30 (6) the agency's reasonable efforts to finalize the permanent plan for the child, including
284.31 returning the child to the care of the child's family;

285.1 (7) a citation to this chapter as the basis for the petition; and

285.2 (8) evidence as specified in section 260C.712 when a child is placed in a qualified
285.3 residential treatment program as defined in section 260C.007, subdivision 26d.

285.4 (d) An updated copy of the out-of-home placement plan required under section 260C.212,
285.5 subdivision 1, shall be filed with the petition.

285.6 (e) The court shall set the date for the permanency review hearing no later than 14 months
285.7 after the child has been in placement or within 30 days of the petition filing date when the
285.8 child has been in placement 15 of the last 22 months. The court shall serve the petition
285.9 together with a notice of hearing by United States mail on the parent, the child age 12 or
285.10 older, the child's guardian ad litem, if one has been appointed, the agency, the county
285.11 attorney, and counsel for any party.

285.12 (f) The court shall conduct the permanency review hearing on the petition no later than
285.13 14 months after the date of the voluntary placement agreement, within 30 days of the filing
285.14 of the petition when the child has been in placement 15 of the last 22 months, or within 15
285.15 days of a motion to terminate jurisdiction and to dismiss an order for foster care under
285.16 chapter 260C, as provided in section 260D.09, paragraph (b).

285.17 (g) At the permanency review hearing, the court shall:

285.18 (1) inquire of the parent if the parent has reviewed the "Petition for Permanency Review
285.19 Regarding a Child in Voluntary Foster Care for Treatment," whether the petition is accurate,
285.20 and whether the parent agrees to the continued voluntary foster care arrangement as being
285.21 in the child's best interests;

285.22 (2) inquire of the parent if the parent is satisfied with the agency's reasonable efforts to
285.23 finalize the permanent plan for the child, including whether there are services available and
285.24 accessible to the parent that might allow the child to safely be with the child's family;

285.25 (3) inquire of the parent if the parent consents to the court entering an order that:

285.26 (i) approves the responsible agency's reasonable efforts to finalize the permanent plan
285.27 for the child, which includes ongoing future planning for the safety, health, and best interests
285.28 of the child; and

285.29 (ii) approves the responsible agency's determination that there are compelling reasons
285.30 why the continued voluntary foster care arrangement is in the child's best interests; and

285.31 (4) inquire of the child's guardian ad litem and any other party whether the guardian or
285.32 the party agrees that:

286.1 (i) the court should approve the responsible agency's reasonable efforts to finalize the
286.2 permanent plan for the child, which includes ongoing and future planning for the safety,
286.3 health, and best interests of the child; and

286.4 (ii) the court should approve of the responsible agency's determination that there are
286.5 compelling reasons why the continued voluntary foster care arrangement is in the child's
286.6 best interests.

286.7 (h) At a permanency review hearing under this section, the court may take the following
286.8 actions based on the contents of the sworn petition and the consent of the parent:

286.9 (1) approve the agency's compelling reasons that the voluntary foster care arrangement
286.10 is in the best interests of the child; and

286.11 (2) find that the agency has made reasonable efforts to finalize the permanent plan for
286.12 the child.

286.13 (i) A child, age 12 or older, may object to the agency's request that the court approve its
286.14 compelling reasons for the continued voluntary arrangement and may be heard on the reasons
286.15 for the objection. Notwithstanding the child's objection, the court may approve the agency's
286.16 compelling reasons and the voluntary arrangement.

286.17 (j) If the court does not approve the voluntary arrangement after hearing from the child
286.18 or the child's guardian ad litem, the court shall dismiss the petition. In this case, either:

286.19 (1) the child must be returned to the care of the parent; or

286.20 (2) the agency must file a petition under section 260C.141, asking for appropriate relief
286.21 under sections 260C.301 or 260C.503 to 260C.521.

286.22 (k) When the court approves the agency's compelling reasons for the child to continue
286.23 in voluntary foster care for treatment, and finds that the agency has made reasonable efforts
286.24 to finalize a permanent plan for the child, the court shall approve the continued voluntary
286.25 foster care arrangement, and continue the matter under the court's jurisdiction for the purposes
286.26 of reviewing the child's placement every 12 months while the child is in foster care.

286.27 (l) A finding that the court approves the continued voluntary placement means the agency
286.28 has continued legal authority to place the child while a voluntary placement agreement
286.29 remains in effect. The parent or the agency may terminate a voluntary agreement as provided
286.30 in section 260D.10. Termination of a voluntary foster care placement of an Indian child is
286.31 governed by section 260.765, subdivision 4.

287.1 Sec. 85. Minnesota Statutes 2024, section 260E.11, subdivision 3, is amended to read:

287.2 Subd. 3. **Report to medical examiner or coroner; notification to local agency and**
287.3 **law enforcement; report ombudsman.** (a) A person mandated to report maltreatment who
287.4 knows or has reason to believe a child has died as a result of maltreatment shall report that
287.5 information to the appropriate medical examiner or coroner instead of the local welfare
287.6 agency, police department, or county sheriff.

287.7 (b) The medical examiner or coroner shall notify the local welfare agency, police
287.8 department, or county sheriff in instances in which the medical examiner or coroner believes
287.9 that the child has died as a result of maltreatment. The medical examiner or coroner shall
287.10 complete an investigation as soon as feasible and report the findings to the police department
287.11 or county sheriff and the local welfare agency.

287.12 (c) If the child was receiving services or treatment for mental illness, developmental
287.13 disability, or substance use disorder, ~~or emotional disturbance~~ from an agency, facility, or
287.14 program as defined in section 245.91, the medical examiner or coroner shall also notify and
287.15 report findings to the ombudsman established under sections 245.91 to 245.97.

287.16 Sec. 86. Minnesota Statutes 2024, section 295.50, subdivision 9b, is amended to read:

287.17 Subd. 9b. **Patient services.** (a) "Patient services" means inpatient and outpatient services
287.18 and other goods and services provided by hospitals, surgical centers, or health care providers.
287.19 They include the following health care goods and services provided to a patient or consumer:

287.20 (1) bed and board;

287.21 (2) nursing services and other related services;

287.22 (3) use of hospitals, surgical centers, or health care provider facilities;

287.23 (4) medical social services;

287.24 (5) drugs, biologicals, supplies, appliances, and equipment;

287.25 (6) other diagnostic or therapeutic items or services;

287.26 (7) medical or surgical services;

287.27 (8) items and services furnished to ambulatory patients not requiring emergency care;

287.28 and

287.29 (9) emergency services.

287.30 (b) "Patient services" does not include:

- 288.1 (1) services provided to nursing homes licensed under chapter 144A;
- 288.2 (2) examinations for purposes of utilization reviews, insurance claims or eligibility,
288.3 litigation, and employment, including reviews of medical records for those purposes;
- 288.4 (3) services provided to and by community residential mental health facilities licensed
288.5 under section 245I.23 or Minnesota Rules, parts 9520.0500 to 9520.0670, and to and by
288.6 residential treatment programs for children with ~~severe emotional disturbance~~ a serious
288.7 mental illness licensed or certified under chapter 245A;
- 288.8 (4) services provided under the following programs: day treatment services as defined
288.9 in section 245.462, subdivision 8; assertive community treatment as described in section
288.10 256B.0622; adult rehabilitative mental health services as described in section 256B.0623;
288.11 crisis response services as described in section 256B.0624; and children's therapeutic services
288.12 and supports as described in section 256B.0943;
- 288.13 (5) services provided to and by community mental health centers as defined in section
288.14 245.62, subdivision 2;
- 288.15 (6) services provided to and by assisted living programs and congregate housing
288.16 programs;
- 288.17 (7) hospice care services;
- 288.18 (8) home and community-based waived services under chapter 256S and sections
288.19 256B.49 and 256B.501;
- 288.20 (9) targeted case management services under sections 256B.0621; 256B.0625,
288.21 subdivisions 20, 20a, 33, and 44; and 256B.094; and
- 288.22 (10) services provided to the following: supervised living facilities for persons with
288.23 developmental disabilities licensed under Minnesota Rules, parts 4665.0100 to 4665.9900;
288.24 housing with services establishments required to be registered under chapter 144D; board
288.25 and lodging establishments providing only custodial services that are licensed under chapter
288.26 157 and registered under section 157.17 to provide supportive services or health supervision
288.27 services; adult foster homes as defined in Minnesota Rules, part 9555.5105; day training
288.28 and habilitation services for adults with developmental disabilities as defined in section
288.29 252.41, subdivision 3; boarding care homes as defined in Minnesota Rules, part 4655.0100;
288.30 adult day care services as defined in section 245A.02, subdivision 2a; and home health
288.31 agencies as defined in Minnesota Rules, part 9505.0175, subpart 15, or licensed under
288.32 chapter 144A.

ARTICLE 9

MISCELLANEOUS

289.1

289.2

289.3 Section 1. Minnesota Statutes 2024, section 256.01, is amended by adding a subdivision
289.4 to read:

289.5 Subd. 44. Notification of federal approval; report. (a) For any provision over which
289.6 the commissioner has jurisdiction and that has an effective date contingent upon federal
289.7 approval, whether the contingency is expressed in an effective date, in the text of a statutory
289.8 provision, or in the text of an uncodified section of session law, the commissioner must
289.9 notify the revisor of statutes of which enacted provisions contain such contingent federal
289.10 approval and when federal approval is obtained for any such provision according to
289.11 paragraphs (b) and (c).

289.12 (b) By July 1 of each year, the commissioner must provide the revisor of statutes; the
289.13 director of the House Research Department; and the director of Senate Counsel, Research
289.14 and Fiscal Analysis with a report containing a complete list of all provisions enacted since
289.15 the preceding July 1 with an effective date contingent on federal approval.

289.16 (c) By September 1 of each year, the commissioner must provide the revisor of statutes;
289.17 the director of the House Research Department; and the director of Senate Counsel, Research
289.18 and Fiscal Analysis with a report containing a complete list of all statutory provisions
289.19 previously enacted with an effective date contingent on federal approval. The commissioner
289.20 must identify in the report which, if any, provisions received federal approval since the
289.21 preceding September 1 and the date that federal approval for each provision was received.
289.22 If no provisions have received federal approval since the preceding September 1, the report
289.23 must state that fact. The revisor of statutes may authorize the commissioner to remove
289.24 federally approved provisions from subsequent reports submitted.

289.25 (d) The reports in paragraphs (b) and (c) must be provided in a form prescribed by the
289.26 revisor of statutes.

289.27 (e) An employee in the Department of Human Services who is responsible for identifying
289.28 and tracking federal approval of provisions must attest to the accuracy of the reports in a
289.29 manner prescribed by the revisor of statutes.

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

289.31 Delete the title and insert:

289.32 "A bill for an act

289.33 relating to human services; modifying policy provisions relating to aging and
289.34 disability services, the Department of Health, Direct Care and Treatment, behavioral

290.1 health, and the Department of Human Services Office of Inspector General;
 290.2 recodifying statutory language relating to assertive community treatment and
 290.3 intensive residential treatment services; modifying children's mental health
 290.4 terminology; codifying requirement for notification of federal approval; making
 290.5 conforming changes; amending Minnesota Statutes 2024, sections 13.46,
 290.6 subdivisions 3, 4; 15.471, subdivision 6; 43A.241; 62J.495, subdivision 2; 62Q.527,
 290.7 subdivisions 1, 2, 3; 97A.441, subdivision 3; 121A.61, subdivision 3; 128C.02,
 290.8 subdivision 5; 142E.51, subdivisions 5, 6, by adding a subdivision; 142G.02,
 290.9 subdivision 56; 142G.27, subdivision 4; 142G.42, subdivision 3; 144.0724,
 290.10 subdivisions 2, 3a, 4, 9; 144.53; 144.651, subdivisions 2, 4, 10a, 20, 31, 32;
 290.11 144A.07; 144A.61, by adding subdivisions; 144A.70, subdivisions 3, 7, by adding
 290.12 subdivisions; 144G.10, subdivisions 1, 1a, 5; 144G.16, subdivision 3; 144G.19,
 290.13 by adding a subdivision; 144G.52, by adding a subdivision; 144G.53; 144G.70,
 290.14 subdivision 2; 144G.81, subdivision 1; 144G.91, by adding a subdivision; 146A.08,
 290.15 subdivision 4; 147.091, subdivision 6; 147A.13, subdivision 6; 148.10, subdivision
 290.16 1; 148.235, subdivision 10; 148.261, subdivision 5; 148.754; 148B.5905; 148F.09,
 290.17 subdivision 6; 148F.11, subdivision 1; 150A.08, subdivision 6; 151.071, subdivision
 290.18 10; 153.21, subdivision 2; 153B.70; 168.012, subdivision 1; 169A.284; 244.052,
 290.19 subdivision 4; 245.462, subdivisions 4, 20; 245.4662, subdivision 1; 245.467,
 290.20 subdivision 4; 245.4682, subdivision 3; 245.469; 245.4711, subdivisions 1, 4;
 290.21 245.4712, subdivisions 1, 3; 245.4835, subdivision 2; 245.4863; 245.487,
 290.22 subdivision 2; 245.4871, subdivisions 3, 4, 5, 6, 13, 15, 17, 19, 21, 22, 28, 29, 31,
 290.23 32, 34, by adding a subdivision; 245.4873, subdivision 2; 245.4874, subdivision
 290.24 1; 245.4875, subdivision 5; 245.4876, subdivisions 4, 5; 245.4877; 245.488,
 290.25 subdivisions 1, 3; 245.4881, subdivisions 1, 3, 4; 245.4882, subdivisions 1, 5;
 290.26 245.4884; 245.4885, subdivision 1; 245.4889, subdivision 1; 245.4901, subdivision
 290.27 3; 245.4906, subdivision 2; 245.4907, subdivisions 2, 3; 245.491, subdivision 2;
 290.28 245.492, subdivision 3; 245.50, subdivision 2; 245.52; 245.697, subdivision 2a;
 290.29 245.735, subdivision 3b; 245.814, subdivision 3; 245.826; 245.91, subdivisions
 290.30 2, 4; 245.92; 245.94, subdivision 1; 245A.03, subdivision 2; 245A.04, subdivisions
 290.31 1, 7; 245A.042, by adding a subdivision; 245A.16, subdivision 1; 245A.242,
 290.32 subdivision 2; 245A.26, subdivisions 1, 2; 245C.05, by adding a subdivision;
 290.33 245C.08, subdivision 3; 245C.22, subdivision 5; 245D.02, subdivision 4a;
 290.34 245D.091, subdivision 3; 245G.05, subdivision 1; 245G.06, subdivisions 1, 2a,
 290.35 3a; 245G.07, subdivision 2; 245G.08, subdivision 6; 245G.09, subdivision 3;
 290.36 245G.11, subdivisions 7, 11; 245G.18, subdivision 2; 245G.19, subdivision 4, by
 290.37 adding a subdivision; 245G.22, subdivisions 1, 14, 15; 245I.05, subdivisions 3, 5;
 290.38 245I.06, subdivision 3; 245I.11, subdivision 5; 245I.12, subdivision 5; 246.585;
 290.39 246C.06, subdivision 11; 246C.12, subdivisions 4, 6; 246C.20; 252.27, subdivision
 290.40 1; 252.291, subdivision 3; 252.43; 252.46, subdivision 1a; 252.50, subdivision 5;
 290.41 253B.07, subdivision 2b; 253B.09, subdivision 3a; 253B.10, subdivision 1;
 290.42 253B.141, subdivision 2; 253B.18, subdivision 6; 253B.19, subdivision 2; 253D.14,
 290.43 subdivision 3; 253D.27, subdivision 2; 253D.28; 253D.29, subdivisions 1, 2, 3;
 290.44 253D.30, subdivisions 3, 4, 5, 6; 253D.31; 254B.04, subdivision 1a; 254B.05,
 290.45 subdivisions 1, 1a, 5; 256.01, subdivisions 2, 5, by adding a subdivision; 256.019,
 290.46 subdivision 1; 256.0281; 256.0451, subdivisions 1, 3, 6, 8, 9, 18, 22, 23, 24;
 290.47 256.478, subdivision 2; 256.4825; 256.93, subdivision 1; 256.98, subdivisions 1,
 290.48 7; 256B.02, subdivision 11; 256B.055, subdivision 12; 256B.0615, subdivisions
 290.49 1, 3, 4; 256B.0616, subdivisions 1, 4, 5; 256B.0622, subdivisions 1, 3a, 7a, 8, 11,
 290.50 12; 256B.0625, subdivision 20; 256B.064, subdivision 1a; 256B.0757, subdivision
 290.51 2; 256B.092, subdivisions 1a, 10, 11a; 256B.0943, subdivisions 1, 3, 9, 12, 13;
 290.52 256B.0945, subdivision 1; 256B.0946, subdivision 6; 256B.0947, subdivision 3a;
 290.53 256B.49, subdivisions 13, 29; 256B.4911, subdivision 6; 256B.4914, subdivisions
 290.54 10a, 10d; 256B.69, subdivision 23; 256B.77, subdivision 7a; 256B.82; 256D.44,
 290.55 subdivision 5; 256G.09, subdivisions 4, 5; 256I.04, subdivision 2c; 256L.03,
 290.56 subdivision 5; 256R.38; 256R.40, subdivision 5; 260B.157, subdivision 3;
 290.57 260C.007, subdivisions 16, 26d, 27b; 260C.157, subdivision 3; 260C.201,
 290.58 subdivisions 1, 2; 260C.301, subdivision 4; 260D.01; 260D.02, subdivisions 5, 9;

291.1 260D.03, subdivision 1; 260D.04; 260D.06, subdivision 2; 260D.07; 260E.11,
 291.2 subdivision 3; 295.50, subdivision 9b; 299F.77, subdivision 2; 342.04; 352.91,
 291.3 subdivision 3f; 401.17, subdivision 1; 480.40, subdivision 1; 507.071, subdivision
 291.4 1; 611.57, subdivisions 2, 4; 624.7131, subdivisions 1, 2; 624.7132, subdivisions
 291.5 1, 2; 624.714, subdivisions 3, 4; 631.40, subdivision 3; Laws 2023, chapter 70,
 291.6 article 7, section 34; proposing coding for new law in Minnesota Statutes, chapters
 291.7 245; 246C; 256B; 256G; 609; repealing Minnesota Statutes 2024, sections
 291.8 144G.9999, subdivisions 1, 2, 3; 245.4862; 245A.042, subdivisions 2, 3, 4;
 291.9 245A.11, subdivision 8; 246.015, subdivision 3; 246.50, subdivision 2; 246B.04,
 291.10 subdivision 1a; 256B.0622, subdivision 4; Laws 2024, chapter 79, article 1, sections
 291.11 15; 16; 17."

291.12 With the recommendation that when so amended the bill be placed on the General
 291.13 Register.

291.14 This Committee action taken April 3, 2025

291.15, Co-Chair

291.16, Co-Chair