

1.1 moves to amend H.F. No. 1298 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "Section 1. **[256B.4916] HOME AND COMMUNITY-BASED SERVICES PROVIDER**
1.4 **RATE AND GRANT ADJUSTMENTS.**

1.5 Subdivision 1. **Rate and grant adjustments.** The commissioner of human services shall
1.6 increase reimbursement rates, grants, allocations, individual limits, and rate limits, as
1.7 applicable, by an amount sufficient to provide employees directly employed by the program
1.8 with the minimum wage required under subdivision 5 for the rate period beginning July 1,
1.9 2019, for services rendered on or after that date. County or tribal contracts for services
1.10 specified in this section must be amended to pass through each rate increase within 60 days
1.11 of the effective date of each increase.

1.12 Subd. 2. **Eligible services, grants, and programs.** The rate adjustments described in
1.13 this section apply to:

1.14 (1) home and community-based waived services for persons with developmental
1.15 disabilities under section 256B.092, including consumer-directed community supports;

1.16 (2) waived services under community alternatives for disabled individuals under section
1.17 256B.49, including consumer-directed community supports;

1.18 (3) community alternative care waived services under section 256B.49, including
1.19 consumer-directed community supports;

1.20 (4) brain injury waived services under section 256B.49, including consumer-directed
1.21 community supports;

1.22 (5) home and community-based waived services for the elderly under section
1.23 256B.0915;

- 2.1 (6) nursing services and home health services under section 256B.0625, subdivision 6a;
- 2.2 (7) personal care services and qualified professional supervision of personal care services
- 2.3 under section 256B.0625, subdivisions 6a and 19a;
- 2.4 (8) home care nursing services under section 256B.0625, subdivision 7;
- 2.5 (9) community first services and supports under section 256B.85;
- 2.6 (10) essential community supports under section 256B.0922;
- 2.7 (11) day training and habilitation services for adults with developmental disabilities
- 2.8 under sections 252.41 to 252.46, including the additional cost to counties of the rate
- 2.9 adjustments on day training and habilitation services provided as a social service;
- 2.10 (12) alternative care services under section 256B.0913;
- 2.11 (13) living skills training programs for persons with intractable epilepsy who need
- 2.12 assistance in the transition to independent living under Laws 1988, chapter 689;
- 2.13 (14) semi-independent living services (SILS) under section 252.275;
- 2.14 (15) consumer support grants under section 256.476;
- 2.15 (16) family support grants under section 252.32;
- 2.16 (17) housing access grants under section 256B.0658;
- 2.17 (18) self-advocacy grants under Laws 2009, chapter 101;
- 2.18 (19) technology grants under Laws 2009, chapter 79;
- 2.19 (20) aging grants under sections 256.975 to 256.977 and 256B.0917;
- 2.20 (21) deaf and hard-of-hearing grants under section 256.01, subdivision 2, including
- 2.21 community support services for deaf and hard-of-hearing adults with mental illness who
- 2.22 use or wish to use sign language as their primary means of communication;
- 2.23 (22) deaf and hard-of-hearing grants under sections 256C.233 and 256C.261;
- 2.24 (23) Disability Linkage Line grants under section 256.01, subdivision 24;
- 2.25 (24) home and community-based transition initiative grants under section 256.478;
- 2.26 (25) employment support grants under section 256B.021, subdivision 6; and
- 2.27 (26) grants provided to people who are eligible for the Housing Opportunities for Persons
- 2.28 with AIDS program under section 256B.492.

3.1 Subd. 3. **Managed care and county-based purchasing plans.** A managed care plan or
3.2 county-based purchasing plan receiving state payments for the services, grants, and programs
3.3 in subdivision 2 must include the adjustments in their payments to providers. For the purposes
3.4 of this section, "providers" means entities that provide care coordination. To implement the
3.5 rate increase in subdivision 1, capitation rates paid by the commissioner to managed care
3.6 plans and county-based purchasing plans under section 256B.69 shall reflect the increases
3.7 for the services, grants, and programs specified in subdivision 2 for the periods beginning
3.8 on the effective date of the rate adjustment under subdivision 1.

3.9 Subd. 4. **Consumer-directed community supports.** Counties shall increase the budget
3.10 for each recipient of consumer-directed community supports by the amounts in subdivision
3.11 1 on the effective date of the rate adjustment under subdivision 1.

3.12 Subd. 5. **Minimum wage.** A provider that receives a rate adjustment under subdivision
3.13 1 must use the additional revenue to pay an hourly wage of at least \$14 per hour to all
3.14 employees directly employed by the program on or after the effective date of the rate
3.15 adjustment under subdivision 1, except that the minimum wage rate does not apply to:

3.16 (1) individuals employed in the central office of a corporation or entity that has an
3.17 ownership interest in the provider or exercises control over the provider; and

3.18 (2) individuals paid by the provider under a management contract.

3.19 Subd. 6. **Public employees under collective bargaining agreement.** For public
3.20 employees under a collective bargaining agreement, the adjustments for wages are available
3.21 and pay rates must be increased only to the extent that the adjustments comply with laws
3.22 governing public employees' collective bargaining.

3.23 Subd. 7. **Employees represented by exclusive bargaining representative.** For a
3.24 provider that has employees who are represented by an exclusive bargaining representative,
3.25 the provider shall obtain a letter of acceptance of the distribution plan required under
3.26 subdivision 11, relating to the members of the bargaining unit, signed by the exclusive
3.27 bargaining agent. Upon receipt of the letter of acceptance, the provider shall be deemed to
3.28 have met all the requirements of this section relating to the members of the bargaining unit.
3.29 Upon request, the provider shall produce the letter of acceptance to the commissioner.

3.30 Subd. 8. **State grant contracts.** The commissioner shall amend state grant contracts
3.31 that include direct personnel-related grant expenditures to include the allocation for the
3.32 portion of the contract related to employee compensation. Grant contracts for
3.33 compensation-related services must be amended to pass through these adjustments within

4.1 60 days of the effective date of the rate adjustment under subdivision 1 and must be
4.2 retroactive to the effective date of the rate adjustment under subdivision 1.

4.3 Subd. 9. **Board on Aging; area agencies on aging.** The Board on Aging and its area
4.4 agencies on aging shall amend their grants that include direct personnel-related grant
4.5 expenditures to include the rate adjustments for the portion of the grant related to employee
4.6 compensation. Grants for compensation-related services must be amended to apply the
4.7 adjustments within 60 days of the effective date of the rate adjustment under subdivision 1
4.8 and must be retroactive to the effective date of the rate adjustment under subdivision 1.

4.9 Subd. 10. **Distribution plan.** (a) A provider that receives a rate adjustment under
4.10 subdivision 1 that is subject to subdivision 5 shall prepare and, upon request, submit to the
4.11 commissioner a distribution plan that specifies the amount of money the provider expects
4.12 to receive that is subject to the requirements of subdivision 5, including how that money
4.13 will be distributed to pay the minimum wage required under subdivision 5.

4.14 (b) Within six months of the effective date of the rate adjustment, the provider shall post
4.15 the distribution plan required under paragraph (a) for a period of at least six weeks in an
4.16 area of the provider's operation to which all eligible employees have access and shall provide
4.17 instructions for employees who do not believe they received the wage increases required
4.18 by subdivision 5. The instructions must include a mailing address, e-mail address, and
4.19 telephone number that the employee may use to contact the commissioner or the
4.20 commissioner's representative.

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

4.22 Sec. 2. Minnesota Statutes 2018, section 256B.5012, is amended by adding a subdivision
4.23 to read:

4.24 Subd. 18. **ICF/DD rate adjustment effective July 1, 2019.** (a) For the rate period
4.25 beginning July 1, 2019, the commissioner shall increase operating payment rates for each
4.26 facility reimbursed under this section by an amount sufficient to meet the minimum wage
4.27 requirements of paragraph (b).

4.28 (b) A facility that receives a rate adjustment under this subdivision must use the additional
4.29 revenue to pay an hourly wage of at least \$14 per hour to all employees directly employed
4.30 by the facility on or after the effective date of the rate adjustment under paragraph (a), except
4.31 that the minimum wage rate does not apply to:

4.32 (1) individuals employed in the central office of a corporation or entity that has an
4.33 ownership interest in the provider or exercises control over the provider; and

5.1 (2) individuals paid by the facility under a management contract.

5.2 (c) For public employees under a collective bargaining agreement, the increases for
5.3 wages for certain staff are available and pay rates must be increased only to the extent that
5.4 the increases comply with laws governing public employees' collective bargaining.

5.5 (d) For a facility that has employees that are represented by an exclusive bargaining
5.6 representative, the provider shall obtain a letter of acceptance of the distribution plan required
5.7 under paragraph (f), relating to the members of the bargaining unit, signed by the exclusive
5.8 bargaining agent. Upon receipt of the letter of acceptance, the facility shall be deemed to
5.9 have met all the requirements of this subdivision relating to the members of the bargaining
5.10 unit. Upon request, the facility shall produce the letter of acceptance to the commissioner.

5.11 (e) The commissioner shall amend state grant contracts that include direct
5.12 personnel-related grant expenditures to include the allocation for the portion of the contract
5.13 related to employee compensation. Grant contracts for compensation-related services must
5.14 be amended to pass through these adjustments within 60 days of the effective date of the
5.15 increase and must be retroactive to July 1, 2019.

5.16 (f) A facility that receives a rate adjustment under paragraph (a) that is subject to
5.17 paragraph (b) shall prepare and, upon request, submit to the commissioner a distribution
5.18 plan that specifies the amount of money the facility expects to receive that is subject to the
5.19 requirements of paragraph (b), including how that money will be distributed to meet the
5.20 minimum wage requirements of paragraph (b).

5.21 (g) Within six months of the effective date of the rate adjustment, the facility shall post
5.22 the distribution plan required under paragraph (f) for at least six weeks in an area of the
5.23 facility's operation to which all eligible employees have access and shall provide instructions
5.24 for employees who do not believe they have received the minimum wage required by
5.25 paragraph (b). The instructions must include a mailing address, e-mail address, and telephone
5.26 number that an employee may use to contact the commissioner or the commissioner's
5.27 representative.

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

5.29 Amend the title accordingly