ARTICLE 2

DEPARTMENT OF HEALTH POLICY

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

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

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

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

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

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

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

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

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

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

(1) nursing facility services under chapter 256R;

(2) elderly waiver services under chapter 256S;

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

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

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

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

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

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

(g) "Patient Driven Payment Model" or "PDPM" means the case mix reimbursement classification system for residents in nursing facilities according to the resident's condition, the resident's diagnosis, and the care the resident is receiving as reflected in data supplied in the facility's MDS with an ARD on or after October 1, 2025.

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

(1) nursing facility services under chapter 256R;

(2) elderly waiver services under chapter 256S;

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

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

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

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

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

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

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

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

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

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

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

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

(i) "Resource utilization group" or "RUG" means the case mix reimbursement classification system for residents in nursing facilities according to the resident's clinical and functional status as reflected in data supplied by the facility's MDS with an ARD on or before September 30, 2025.

EFFECTIVE DATE. This section is effective October 1, 2025, and applies to assessments conducted on or after that date.

SEE ALSO UEH2434-1, ART. 1, SEC. 1.

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

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

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

EFFECTIVE DATE. This section is effective October 1, 2025, and applies to assessments conducted on or after that date.

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

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

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

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

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

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

(3) a significant change in status comprehensive assessment, which must have an ARD within 14 days after the facility determines, or should have determined, that there has been a significant change in the resident's physical or mental condition, whether an improvement or a decline, and regardless of the amount of time since the last comprehensive assessment or quarterly review assessment;

(4) a significant change in status comprehensive assessment when isolation for an infectious disease has ended. If isolation was not coded on the most recent assessment completed, then the significant change in status comprehensive assessment under this clause is not required. The ARD for assessments under this clause must be set on day 15 after isolation has ended;

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

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

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

~~(5)~~ (6) any significant correction to a prior comprehensive assessment, if the assessment being corrected is the current one being used for reimbursement classification;

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

~~(6)~~ (7) any significant correction to a prior quarterly review assessment, if the assessment being corrected is the current one being used for reimbursement classification; and

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

~~(7)~~ (8) any modifications to the most recent assessments under clauses (1) to ~~(6)~~ (7).

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

~~(c) The optional state assessment must accompany all OBRA assessments. The optional state assessment is also required to determine reimbursement when:~~

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

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

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

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

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

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

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

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

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

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

EFFECTIVE DATE. This section is effective October 1, 2025, and applies to assessments conducted on or after that date.

Sec. 4. Minnesota Statutes 2024, section 144.0724, subdivision 8, is amended to read:

Subd. 8. **Request for reconsideration of resident classifications.** (a) The resident, the resident's representative, the nursing facility, or the boarding care home may request that the commissioner of health reconsider the assigned case mix reimbursement classification and any item or items changed during the audit process. The request for reconsideration must be submitted in writing to the commissioner of health.

(b) For reconsideration requests initiated by the resident or the resident's representative:

(1) The resident or the resident's representative must submit in writing a reconsideration request to the facility administrator within 30 days of receipt of the resident classification notice. The written request must include the reasons for the reconsideration request.

(2) Within three business days of receiving the reconsideration request, the nursing facility must submit to the commissioner of health a completed reconsideration request form, a copy of the resident's or resident's representative's written request, and all supporting documentation used to complete the assessment being reconsidered. If the facility fails to provide the required information, the reconsideration will be completed with the information submitted and the facility cannot make further reconsideration requests on this classification.

(3) Upon written request and within three business days, the nursing facility must give the resident or the resident's representative a copy of the assessment being reconsidered and all supporting documentation used to complete the assessment. Notwithstanding any law to the contrary, the facility may not charge a fee for providing copies of the requested documentation. If a facility fails to provide the required documents within this time, it is subject to the issuance of a correction order and penalty assessment under sections 144.653 and 144A.10. Notwithstanding those sections, any correction order issued under this subdivision must require that the nursing facility immediately comply with the request for information, and as of the date of the issuance of the correction order, the facility shall forfeit to the state a $100 fine for the first day of noncompliance, and an increase in the $100 fine by $50 increments for each day the noncompliance continues.

(c) For reconsideration requests initiated by the facility:

(1) The facility is required to inform the resident or the resident's representative in writing that a reconsideration of the resident's case mix reimbursement classification is being requested. The notice must inform the resident or the resident's representative:

(i) of the date and reason for the reconsideration request;

(ii) of the potential for a case mix reimbursement classification change and subsequent rate change;

(iii) of the extent of the potential rate change;

(iv) that copies of the request and supporting documentation are available for review; and

(v) that the resident or the resident's representative has the right to request a reconsideration also.

(2) Within 30 days of receipt of the audit exit report or resident classification notice, the facility must submit to the commissioner of health a completed reconsideration request form, all supporting documentation used to complete the assessment being reconsidered, and a copy of the notice informing the resident or the resident's representative that a reconsideration of the resident's classification is being requested.

(3) If the facility fails to provide the required information, the reconsideration request may be denied and the facility may not make further reconsideration requests on this classification.

(d) Reconsideration by the commissioner must be made by individuals not involved in reviewing the assessment, audit, or reconsideration that established the disputed classification. The reconsideration must be based upon the assessment that determined the classification and upon the information provided to the commissioner of health under paragraphs (a) to (c). If necessary for evaluating the reconsideration request, the commissioner may conduct on-site reviews. Within 15 business days of receiving the request for reconsideration, the commissioner shall affirm or modify the original resident classification. The original classification must be modified if the commissioner determines that the assessment resulting in the classification did not accurately reflect characteristics of the resident at the time of the assessment. The commissioner must transmit the reconsideration classification notice by electronic means to the nursing facility. The nursing facility is responsible for the distribution of the notice to the resident or the resident's representative. The notice must be distributed by the nursing facility within three business days after receipt. A decision by the commissioner under this subdivision is the final administrative decision of the agency for the party requesting reconsideration.

(e) The case mix reimbursement classification established by the commissioner shall be the classification which applies to the resident while the request for reconsideration is pending. If a request for reconsideration applies to an assessment used to determine nursing facility level of care under subdivision 4, paragraph ~~(d)~~ (c), the resident shall continue to be eligible for nursing facility level of care while the request for reconsideration is pending.

(f) The commissioner may request additional documentation regarding a reconsideration necessary to make an accurate reconsideration determination.

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

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

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

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

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

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

(1) Each facility shall be audited annually. If a facility has two successive audits in which the percentage of change is five percent or less and the facility has not been the subject of a special audit in the past 36 months, the facility may be audited biannually. A stratified sample of 15 percent, with a minimum of ten assessments, of the most current assessments shall be selected for audit. If more than 20 percent of the case mix reimbursement classifications are changed as a result of the audit, the audit shall be expanded to a second 15 percent sample, with a minimum of ten assessments. If the total change between the first and second samples is 35 percent or greater, the commissioner may expand the audit to all of the remaining assessments.

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

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

(g) Data collected as part of the reconsideration process under this section is classified as private data on individuals and nonpublic data pursuant to section 13.02. Notwithstanding the classification of these data as private or nonpublic, the commissioner is authorized to share these data with the U.S. Centers for Medicare and Medicaid Services and the commissioner of human services as necessary for reimbursement purposes.

EFFECTIVE DATE. This section is effective October 1, 2025, and applies to assessments conducted on or after that date.

Sec. 5. Minnesota Statutes 2024, section 144.0724, subdivision 9, is amended to read:

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

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

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

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

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

(1) Each facility shall be audited annually. If a facility has two successive audits in which the percentage of change is five percent or less and the facility has not been the subject of a special audit in the past 36 months, the facility may be audited biannually. A stratified sample of 15 percent, with a minimum of ten assessments, of the most current assessments shall be selected for audit. If more than 20 percent of the case mix reimbursement classifications are changed as a result of the audit, the audit shall be expanded to a second 15 percent sample, with a minimum of ten assessments. If the total change between the first and second samples is 35 percent or greater, the commissioner may expand the audit to all of the remaining assessments.

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

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

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

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

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

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

(v) a criminal indictment alleging provider fraud;

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

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

(viii) nonsubmission of assessments;

(ix) late submission of assessments; or

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

(f) If the audit results in a case mix reimbursement classification change, the commissioner must transmit the audit classification notice by electronic means to the nursing facility within 15 business days of completing an audit. The nursing facility is responsible for distribution of the notice to each resident or the resident's representative. This notice must be distributed by the nursing facility within three business days after receipt. The notice must inform the resident of the case mix reimbursement classification assigned, the opportunity to review the documentation supporting the classification, the opportunity to obtain clarification from the commissioner, the opportunity to request a reconsideration of the classification, and the address and telephone number of the Office of Ombudsman for Long-Term Care.

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

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

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

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

(v) a criminal indictment alleging provider fraud;

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

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

(viii) nonsubmission of assessments;

(ix) late submission of assessments; or

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

(f) If the audit results in a case mix reimbursement classification change, the commissioner must transmit the audit classification notice by electronic means to the nursing facility within 15 business days of completing an audit. The nursing facility is responsible for distribution of the notice to each resident or the resident's representative. This notice must be distributed by the nursing facility within three business days after receipt. The notice must inform the resident of the case mix reimbursement classification assigned, the opportunity to review the documentation supporting the classification, the opportunity to obtain clarification from the commissioner, the opportunity to request a reconsideration of the classification, and the address and telephone number of the Office of Ombudsman for Long-Term Care.

EFFECTIVE DATE. This section is effective October 1, 2025, and applies to assessments conducted on or after that date.

Sec. 6. Minnesota Statutes 2024, section 144.0724, subdivision 11, is amended to read:

Subd. 11. **Nursing facility level of care.** (a) For purposes of medical assistance payment of long-term care services, a recipient must be determined, using assessments defined in subdivision 4, to meet one of the following nursing facility level of care criteria:

(1) the person requires formal clinical monitoring at least once per day;

(2) the person needs the assistance of another person or constant supervision to begin and complete at least four of the following activities of living: bathing, bed mobility, dressing, eating, grooming, toileting, transferring, and walking;

(3) the person needs the assistance of another person or constant supervision to begin and complete toileting, transferring, or positioning and the assistance cannot be scheduled;

(4) the person has significant difficulty with memory, using information, daily decision making, or behavioral needs that require intervention;

(5) the person has had a qualifying nursing facility stay of at least 90 days;

(6) the person meets the nursing facility level of care criteria determined 90 days after admission or on the first quarterly assessment after admission, whichever is later; or

(7) the person is determined to be at risk for nursing facility admission or readmission through a face-to-face long-term care consultation assessment as specified in section 256B.0911, subdivision 17 to 21, 23, 24, 27, or 28, by a county, tribe, or managed care organization under contract with the Department of Human Services. The person is considered at risk under this clause if the person currently lives alone or will live alone or be homeless without the person's current housing and also meets one of the following criteria:

(i) the person has experienced a fall resulting in a fracture;

(ii) the person has been determined to be at risk of maltreatment or neglect, including self-neglect; or

(iii) the person has a sensory impairment that substantially impacts functional ability and maintenance of a community residence.

(b) The assessment used to establish medical assistance payment for nursing facility services must be the most recent assessment performed under subdivision 4, ~~paragraphs~~ paragraph (b) ~~and (c)~~, that occurred no more than 90 calendar days before the effective date of medical assistance eligibility for payment of long-term care services. In no case shall medical assistance payment for long-term care services occur prior to the date of the determination of nursing facility level of care.

(c) The assessment used to establish medical assistance payment for long-term care services provided under chapter 256S and section 256B.49 and alternative care payment for services provided under section 256B.0913 must be the most recent face-to-face assessment performed under section 256B.0911, subdivisions 17 to 21, 23, 24, 27, or 28, that occurred no more than 60 calendar days before the effective date of medical assistance eligibility for payment of long-term care services.

EFFECTIVE DATE. This section is effective October 1, 2025, and applies to assessments conducted on or after that date.

Sec. 7. Minnesota Statutes 2024, section 144.586, subdivision 2, is amended to read:

Subd. 2. **Postacute care discharge planning.** (a) Each hospital, including hospitals designated as critical access hospitals, must comply with the federal hospital requirements for discharge planning which include:

(1) conducting a discharge planning evaluation that includes an evaluation of:

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

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

(b) For purposes of this subdivision, "designated support person" means any person chosen by the patient or resident to provide comfort to the patient or resident, including but

(i) the likelihood of the patient needing posthospital services and of the availability of those services; and

(ii) the patient's capacity for self-care or the possibility of the patient being cared for in the environment from which the patient entered the hospital;

(2) timely completion of the discharge planning evaluation under clause (1) by hospital personnel so that appropriate arrangements for posthospital care are made before discharge, and to avoid unnecessary delays in discharge;

(3) including the discharge planning evaluation under clause (1) in the patient's medical record for use in establishing an appropriate discharge plan. The hospital must discuss the results of the evaluation with the patient or individual acting on behalf of the patient. The hospital must reassess the patient's discharge plan if the hospital determines that there are factors that may affect continuing care needs or the appropriateness of the discharge plan; and

(4) providing counseling, as needed, for the patient and family members or interested persons to prepare them for posthospital care. The hospital must provide a list of available Medicare-eligible home care agencies or skilled nursing facilities that serve the patient's geographic area, or other area requested by the patient if such care or placement is indicated and appropriate. Once the patient has designated their preferred providers, the hospital will assist the patient in securing care covered by their health plan or within the care network. The hospital must not specify or otherwise limit the qualified providers that are available to the patient. The hospital must document in the patient's record that the list was presented to the patient or to the individual acting on the patient's behalf.

(b) Each hospital, including hospitals designated as critical access hospitals, must document in the patient's discharge plan any instances when a chemical, manual, or mechanical restraint was used to manage the patient's behavior prior to discharge, including the type of restraint, duration, and frequency. In cases where the patient is transferred to any licensed or registered provider, the hospital must notify the provider of the type, duration, and frequency of the restraint. Restraint has the meaning given in section 144G.08, subdivision 61a.

not limited to the patient's or resident's spouse, partner, family member, or another person related by affinity. Certified doulas and traditional midwives may not be counted toward the limit of one designated support person.

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

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

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

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

Sec. 8. Minnesota Statutes 2024, section 144A.08, is amended by adding a subdivision to read:

Subd. 1c. **Historic preservation exemptions.** A facility on the National Register of Historic Places and located in Fergus Falls that has previously operated as or is currently operating as a nursing home, assisted living facility, or assisted living facility with dementia care is exempt from any new minimum design standards established, modified, or updated after the date of the facility's initial licensure as a nursing home, assisted living facility, or assisted living facility with dementia care related to the construction, maintenance, equipping, and operation of the physical plant of a nursing home.

Sec. 9. **[144A.104] PROHIBITED CONDITION FOR ADMISSION OR CONTINUED RESIDENCE.**

A nursing home is prohibited from requiring a current or prospective resident to have or obtain a guardian or conservator as a condition of admission to or continued residence in the nursing home.

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

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

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

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

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

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

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

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

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

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

Sec. 10. Minnesota Statutes 2024, section 144A.70, subdivision 3, is amended to read:

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

Sec. 11. Minnesota Statutes 2024, section 144A.70, is amended by adding a subdivision to read:

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

Sec. 12. Minnesota Statutes 2024, section 144A.70, is amended by adding a subdivision to read:

Subd. 4b. **Indirect ownership interest.** "Indirect ownership interest" means an individual or legal entity with a direct ownership interest in an entity that has a direct or indirect ownership interest of at least five percent in an entity that is a registrant.

Sec. 13. Minnesota Statutes 2024, section 144A.70, subdivision 7, is amended to read:

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

Sec. 14. Minnesota Statutes 2024, section 144A.751, subdivision 1, is amended to read:

Subdivision 1. **Statement of rights.** An individual who receives hospice care has the right to:

(1) receive written information about rights in advance of receiving hospice care or during the initial evaluation visit before the initiation of hospice care, including what to do if rights are violated;

(2) receive care and services according to a suitable hospice plan of care and subject to accepted hospice care standards and to take an active part in creating and changing the plan and evaluating care and services;

(3) be told in advance of receiving care about the services that will be provided, the disciplines that will furnish care, the frequency of visits proposed to be furnished, other choices that are available, and the consequence of these choices, including the consequences of refusing these services;

(4) be told in advance, whenever possible, of any change in the hospice plan of care and to take an active part in any change;

(5) refuse services or treatment;

(6) know, in advance, any limits to the services available from a provider, and the provider's grounds for a termination of services;

(7) know in advance of receiving care whether the hospice services may be covered by health insurance, medical assistance, Medicare, or other health programs in which the individual is enrolled;

(8) receive, upon request, a good faith estimate of the reimbursement the provider expects to receive from the health plan company in which the individual is enrolled. A good faith estimate must also be made available at the request of an individual who is not enrolled in a health plan company. This payment information does not constitute a legally binding estimate of the cost of services;

(9) know that there may be other services available in the community, including other end of life services and other hospice providers, and know where to go for information about these services;

(10) choose freely among available providers and change providers after services have begun, within the limits of health insurance, medical assistance, Medicare, or other health programs;

(11) have personal, financial, and medical information kept private and be advised of the provider's policies and procedures regarding disclosure of such information;

(12) be allowed access to records and written information from records according to sections 144.291 to 144.298;

(13) be served by people who are properly trained and competent to perform their duties;

(14) be treated with courtesy and respect and to have the patient's property treated with respect;

(15) voice grievances regarding treatment or care that is, or fails to be, furnished or regarding the lack of courtesy or respect to the patient or the patient's property;

(16) be free from physical and verbal abuse;

(17) reasonable, advance notice of changes in services or charges, including at least ten days' advance notice of the termination of a service by a provider, except in cases where:

(i) the recipient of services engages in conduct that alters the conditions of employment between the hospice provider and the individual providing hospice services, or creates an abusive or unsafe work environment for the individual providing hospice services;

(ii) an emergency for the informal caregiver or a significant change in the recipient's condition has resulted in service needs that exceed the current service provider agreement and that cannot be safely met by the hospice provider; or

(iii) the recipient is no longer certified as terminally ill;

(18) a coordinated transfer when there will be a change in the provider of services;

(19) know how to contact an individual associated with the provider who is responsible for handling problems and to have the provider investigate and attempt to resolve the grievance or complaint;

(20) know the name and address of the state or county agency to contact for additional information or assistance;

(21) assert these rights personally, or have them asserted by the hospice patient's family when the patient has been judged incompetent, without retaliation; ~~and~~

(22) have pain and symptoms managed to the patient's desired level of comfort, including ensuring appropriate pain medications are immediately available to the patient;

(23) revoke hospice election at any time; and

(24) receive curative treatment for any condition unrelated to the condition that qualified the individual for hospice, while remaining on hospice election.

Sec. 15. Minnesota Statutes 2024, section 144G.08, is amended by adding a subdivision to read:

Subd. 26a. **Imminent risk.** "Imminent risk" means an immediate and impending threat to the health, safety, or rights of an individual.

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

Sec. 16. Minnesota Statutes 2024, section 144G.08, is amended by adding a subdivision to read:

Subd. 54a. **Prone restraint.** "Prone restraint" means the use of manual restraint that places a resident in a face-down position. Prone restraint does not include brief physical holding of a resident who, during an emergency use of manual restraint, rolls into a prone

position, if the resident is restored to a standing, sitting, or side-lying position as quickly as possible.

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

Sec. 17. Minnesota Statutes 2024, section 144G.08, is amended by adding a subdivision to read:

Subd. 55a. **Registered nurse.** "Registered nurse" has the meaning given in section 148.171, subdivision 20.

Sec. 18. Minnesota Statutes 2024, section 144G.08, is amended by adding a subdivision to read:

Subd. 61a. **Restraint.** "Restraint" means:

(1) chemical restraint, as defined in section 245D.02, subdivision 3b;

(2) manual restraint, as defined in section 245D.02, subdivision 15a;

(3) mechanical restraint, as defined in section 245D.02, subdivision 15b; or

(4) any other form of restraint that results in limiting the free and normal movement of body or limbs.

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

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

Sec. 19. Minnesota Statutes 2024, section 144G.10, subdivision 1, is amended to read:

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

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

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

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

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

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

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

(c) Upon approving an application for an assisted living facility license, the commissioner shall issue a single license for each building that is operated by the licensee as an assisted living facility and is located at a separate address, except as provided under paragraph (d) or (e). If a licensed assisted living facility wants a portion of the licensed assisted living building to be utilized by an unlicensed entity or a different license type not granted under chapter 144G, the licensed assisted living facility must ensure there is at least a vertical two-hour fire barrier constructed in accordance with the National Fire Protection Association, Standard 101, Life Safety Code, between any licensed assisted living areas and unlicensed entity areas of the building and between the licensed assisted living areas and any licensed areas subject to another license type.

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

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

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

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

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

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

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

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

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

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

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

(b) If the provisional licensee is not in substantial compliance with the initial survey, the commissioner shall either: (1) not issue the facility license and terminate the provisional license; or (2) extend the provisional license for a period not to exceed 90 calendar days and apply conditions necessary to bring the facility into substantial compliance. If the provisional licensee is not in substantial compliance with the survey within the time period

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

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

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

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

Sec. 20. Minnesota Statutes 2024, section 144G.10, subdivision 1a, is amended to read:

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

Sec. 21. Minnesota Statutes 2024, section 144G.10, subdivision 5, is amended to read:

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

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

Sec. 22. Minnesota Statutes 2024, section 144G.16, subdivision 3, is amended to read:

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

(b) If the provisional licensee is not in substantial compliance with the initial survey, the commissioner shall either: (1) not issue the facility license and terminate the provisional license; or (2) extend the provisional license for a period not to exceed 90 calendar days and apply conditions necessary to bring the facility into substantial compliance. If the provisional licensee is not in substantial compliance with the survey within the time period

of the extension or if the provisional licensee does not satisfy the license conditions, the commissioner may deny the license.

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

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

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

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

of the extension or if the provisional licensee does not satisfy the license conditions, the commissioner may deny the license.

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

Sec. 23. Minnesota Statutes 2024, section 144G.45, is amended by adding a subdivision to read:

Subd. 8. **Historic preservation exemption.** A facility on the National Register of Historic Places and located in Fergus Falls that has previously operated as or is currently operating as a nursing home, assisted living facility, or assisted living facility with dementia care is exempt from any new minimum design standards established, modified, or updated after the date of the facility's initial licensure as a nursing home, assisted living facility, or assisted living facility with dementia care related to the construction, maintenance, equipping, and operation of the physical plant of an assisted living facility or assisted living facility with dementia care.

Sec. 24. **[144G.505] PROHIBITED CONDITION OF ADMISSION OR CONTINUED RESIDENCE.**

An assisted living facility is prohibited from requiring a current or prospective resident to have or obtain a guardian or conservator as a condition of admission to or continued residence in the assisted living facility.

Sec. 25. Minnesota Statutes 2024, section 144G.51, is amended to read:

144G.51 ARBITRATION.

(a) An assisted living facility must clearly and conspicuously disclose, in writing in an assisted living contract, any arbitration provision in the contract that precludes, limits, or delays the ability of a resident from taking a civil action.

(b) An arbitration requirement provision must not include a choice of law or choice of venue provision. Assisted living contracts must adhere to Minnesota law and any other applicable federal or local law.

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

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

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

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

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

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

144G.53 NONRENEWAL OF HOUSING.

Subdivision 1. **Notice or termination procedure.** (a) If a facility decides to not renew a resident's housing under a contract, the facility must either (1) provide the resident with 60 calendar days' notice of the nonrenewal and assistance with relocation planning, or (2) follow the termination procedure under section 144G.52.

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

(c) A facility must:

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

(c) An assisted living facility must not require any resident or the resident's representative to sign an agreement for binding arbitration as a condition of admission to, or as a requirement to continue to receive care at, the facility.

Sec. 26. Minnesota Statutes 2024, section 144G.52, is amended by adding a subdivision to read:

Subd. 5a. **Impermissible ground for termination.** A facility must not terminate an assisted living contract on the ground that the resident changes from using private funds to using public funds to pay for housing or services. This subdivision does not prohibit a facility from terminating an assisted living contract for nonpayment according to subdivision 3 or for a violation of the assisted living contract according to subdivision 4.

Sec. 27. Minnesota Statutes 2024, section 144G.53, is amended to read:

144G.53 NONRENEWAL OF HOUSING.

Subdivision 1. **Notice or termination procedure.** (a) If a facility decides to not renew a resident's housing under a contract, the facility must either (1) provide the resident with 60 calendar days' notice of the nonrenewal and assistance with relocation planning, or (2) follow the termination procedure under section 144G.52.

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

(c) A facility must:

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

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

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

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

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

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

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

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

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

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

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

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

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

Subd. 2. **Prohibited ground for nonrenewal.** A facility must not decline to renew a resident's housing under a contract on the ground that the resident changes from using private funds to using public funds to pay for housing. This subdivision does not prohibit a facility from terminating an assisted living contract for nonpayment according to section 144G.52, subdivision 3, or for a violation of the assisted living contract according to section 144G.52, subdivision 4.

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

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

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

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

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

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

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

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

(b) An assisted living facility shall conduct a comprehensive nursing assessment by a registered nurse of the physical and cognitive needs of the prospective resident and propose a temporary service plan prior to the date on which a prospective resident executes a contract with a facility or the date on which a prospective resident moves in, whichever is earlier. If necessitated by either the geographic distance between the prospective resident and the facility, or urgent or unexpected circumstances, the comprehensive assessment may be

Sec. 28. **[144G.65] TRAINING IN EMERGENCY MANUAL RESTRAINTS.**

Subdivision 1. **Training.** The licensee must ensure that staff who may apply an emergency manual restraint complete a minimum of four hours of training from qualified individuals prior to assuming these responsibilities. Training must include:

(1) types of behaviors, de-escalation techniques, and their value;

(2) principles of person-centered planning and service delivery as identified in section 245D.07, subdivision 1a;

(3) what constitutes the use of a restraint;

(4) staff responsibilities related to prohibited procedures under section 144G.85, subdivision 4; why the procedures are not effective for reducing or eliminating symptoms or interfering behavior; and why the procedures are not safe;

(5) the situations in which staff must contact 911 services in response to an imminent risk of harm to the resident or others; and

(6) strategies for respecting and supporting each resident's cultural preferences.

Subd. 2. **Annual refresher training.** The licensee must ensure that staff who may apply an emergency manual restraint complete two hours of refresher training on an annual basis covering each of the training areas in subdivision 1.

Subd. 3. **Implementation.** The assisted living facility must implement all orientation and training topics in this section.

Subd. 4. **Verification and documentation of orientation and training.** For staff who may apply an emergency manual restraint, the assisted living facility must retain evidence in the employee record of each staff person having completed the orientation and training required under this section.

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

Sec. 29. Minnesota Statutes 2024, section 144G.70, subdivision 2, is amended to read:

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

(b) An assisted living facility shall conduct a comprehensive nursing assessment by a registered nurse of the physical and cognitive needs of the prospective resident and propose a temporary service plan prior to the date on which a prospective resident executes a contract with a facility or the date on which a prospective resident moves in, whichever is earlier. If necessitated by either the geographic distance between the prospective resident and the facility, or urgent or unexpected circumstances, the comprehensive assessment may be

conducted using telecommunication methods based on practice standards that meet the resident's needs and reflect person-centered planning and care delivery.

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

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

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

(3) at least every 90 calendar days.

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

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

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

conducted using telecommunication methods based on practice standards that meet the resident's needs and reflect person-centered planning and care delivery.

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

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

(2) as needed based upon changes in the needs of the resident; and

(3) at least every 90 calendar days.

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

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

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

Sec. 30. Minnesota Statutes 2024, section 144G.71, subdivision 3, is amended to read:

Subd. 3. **Individualized medication monitoring and reassessment.** ~~The assisted living facility~~ A registered nurse, advanced practice registered nurse, or qualified staff delegated the task by a registered nurse must monitor and reassess the resident's medication management services as needed under subdivision 2 when the resident presents with symptoms or other issues that may be medication-related and, at a minimum, annually.

Sec. 31. Minnesota Statutes 2024, section 144G.71, subdivision 5, is amended to read:

Subd. 5. **Individualized medication management plan.** (a) For each resident receiving medication management services, ~~the assisted living facility~~ a registered nurse, advanced practice registered nurse, or qualified staff delegated the task by a registered nurse must prepare and include in the service plan a written statement of the medication management services that will be provided to the resident. The facility must develop and maintain a current individualized medication management record for each resident based on the resident's assessment that must contain the following:

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

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

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

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

(1) a statement describing the medication management services that will be provided;

(2) a description of storage of medications based on the resident's needs and preferences, risk of diversion, and consistent with the manufacturer's directions;

(3) documentation of specific resident instructions relating to the administration of medications;

(4) identification of persons responsible for monitoring medication supplies and ensuring that medication refills are ordered on a timely basis;

(5) identification of medication management tasks that may be delegated to unlicensed personnel;

(6) procedures for staff notifying a registered nurse or appropriate licensed health professional when a problem arises with medication management services; and

(7) any resident-specific requirements relating to documenting medication administration, verifications that all medications are administered as prescribed, and monitoring of medication use to prevent possible complications or adverse reactions.

(b) The medication management record must be current and updated when there are any changes.

(c) Medication reconciliation must be completed when a licensed nurse, licensed health professional, or authorized prescriber is providing medication management.

Sec. 32. Minnesota Statutes 2024, section 144G.81, subdivision 1, is amended to read:

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

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

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

Sec. 33. Minnesota Statutes 2024, section 144G.81, subdivision 5, is amended to read:

Subd. 5. **Variance or waiver.** A facility may request under section 144G.45, subdivision 7 or 8, that the commissioner grant a variance or waiver from the provisions of this section, except subdivision 4.

Sec. 34. **[144G.85] USE OF RESTRAINTS.**

Subdivision 1. **Use of restraints prohibited.** Restraints are prohibited except as described in subdivisions 2 and 4.

Subd. 2. **Emergency use of manual restraints.** Emergency use of a manual restraint is permitted only when immediate intervention is needed to protect the resident or others from imminent risk of physical harm and is the least restrictive intervention to address the risk. The manual restraint must be imposed for the least amount of time necessary and removed when there is no longer imminent risk of physical harm to the resident or other persons in the facility. The use of a manual restraint under this subdivision must:

(1) take into consideration the rights, health, and welfare of the resident;

(2) not apply back or chest pressure while the resident is in a prone, supine, or side-lying position;

(3) allow the resident to be free from prone restraint.

Subd. 3. **Documentation and notification of use of emergency manual restraints.** (a) The resident's legal representative must be notified within 12 hours of any use of an emergency manual restraint and of the circumstances that prompted the use of an emergency manual restraint. Notification and the use of an emergency manual restraint must be documented. If known, the advanced practice registered nurse, physician, or physician assistant must be notified within 12 hours of any use of an emergency manual restraint.

(b) On a form developed by the commissioner, the facility must notify the commissioner and the ombudsperson for long-term care within seven calendar days of the use of any emergency manual restraint. The commissioner will monitor reported uses of emergency manual restraints to detect overuse or unauthorized, inappropriate, or ineffective use of emergency manual restraints. The form must include:

(1) the name and date of birth of the resident;

(2) the date and time of the use of the emergency manual restraint;

(3) the names of staff and any residents who were involved in the incident leading up to the emergency use of a manual restraint;

(4) a description of the incident, including the length of time the restraint was applied, and who was present before and during the incident leading up to the emergency use of a manual restraint;

(5) a description of what less restrictive alternative measures were attempted to de-escalate the incident and maintain safety that identifies when, how, and how long the alternative measures were attempted before the emergency manual restraint was implemented;

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

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

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

(c) A facility may restrict or prohibit the presence of a designated support person if the designated support person is acting in a violent or threatening manner toward others. If the facility restricts or prohibits a resident's designated support person from being present, the resident may file a complaint or inquiry with the facility according to subdivision 20, the

(6) a description of the mental, physical, and emotional condition of the resident who was manually restrained and of other persons involved in the incident leading up to, during, and following the manual restraint;

(7) whether there was any injury to the resident who was manually restrained or other persons involved in the incident, including staff, before or as a result of the use of manual restraint; and

(8) whether there was a debriefing following the incident with the staff, and, if not contraindicated, with the resident who was manually restrained and other persons who were involved in or who witnessed the manual restraint, and the outcome of the debriefing. If the debriefing was not conducted at the time the incident report was made, the report should identify whether a debriefing is planned and whether there is a plan for mitigating use of emergency manual restraints in the future.

(c) A copy of the report submitted under paragraph (b) must be maintained in the resident's record.

(d) A copy of the report submitted under paragraph (b) must be sent to the resident's waiver case manager within seven calendar days of the use of any emergency manual restraints. Any use of emergency manual restraints on people served under section 256B.49 and chapter 256S must be documented by the case manager in the resident's support plan, as defined in sections 256B.49, subdivision 15, and 256S.10.

Subd. 4. **Ordered treatment.** Any use of a restraint, other than the use of an emergency manual restraint to address an imminent risk, must be the least restrictive option and comply with the requirements for an ordered treatment under section 144G.72.

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

Office of Ombudsman for Long-Term Care, or the Office of Ombudsman for Mental Health and Developmental Disabilities.

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

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

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

Sec. 23. **REVISOR INSTRUCTION.**

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

Sec. 24. **REPEALER.**

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

Sec. 35. **REVISOR INSTRUCTION.**

(a) The revisor of statutes shall renumber Minnesota Statutes, section 144A.70, subdivision 4a, as Minnesota Statutes, section 144A.70, subdivision 4c, and correct all cross-references.

(b) The revisor of statutes shall renumber Minnesota Statutes, section 144A.70, subdivision 7, as Minnesota Statutes, section 144A.714, and correct all cross-references.

Sec. 36. **REPEALER.**

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