

Subject Governor’s Human Services Omnibus Finance Bill

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Overview

This bill contains the governor’s budget recommendations for the long-term care workforce, aging and disability services, behavioral health, and direct care and treatment.

Article 1: Workforce

This article includes provisions to phase out the use of subminimum wages for persons with disabilities, include life sharing services under the MA disability waivers, establish provider capacity grants for underserved communities, establish grants supporting new Americans in the long-term care workforce, modify the disability waiver rate system (DWRS), provide for an ICF/DD rate transition, modify the PCA/CFSS payment rate methodology, modify critical access nursing facility rate adjustments, modify the elderly waiver payment rate methodology, ratify the self-directed worker contract, and provide various directions to the commissioner of human services.

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1 Special certificate prohibition.

Amends § 177.24, by adding subd. 6. Beginning August 1, 2026, prohibits employers from hiring any new employee with a disability at a wage that is less than the highest applicable minimum wage. Beginning August 1, 2028, prohibits employers from paying an employee with a disability less than the highest applicable minimum wage.

2 Applicability.

Amends § 245D.03, subd. 1. Modifies the list of residential supports and services under the chapter of statutes governing home and community-based services standards to include life sharing as defined in the MA disability waiver plans.

Makes this section effective January 1, 2026, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.

3 Lead agency board responsibilities.

Amends § 252.44. Modifies lead agency board of commissioners' duties under the statutes governing day services to include additional duties related to ensuring, as of August 1, 2026, that employers do not hire any new employees with disabilities at a wage that is less than the applicable minimum wage and as of August 1, 2028, that any day service program pay employees with disabilities the highest applicable minimum wage.

4 Statewide disability employment technical assistance center.

Creates § 252.54. Requires the commissioner of human services to establish a statewide technical assistance center to provide resources and assistance to programs, people, and families to support individuals with disabilities to achieve meaningful and competitive employment in integrated settings. Lists the duties of the technical assistance center.

5 Lead agency employment first capacity building grants.

Creates § 252.55. Requires the commissioner of human services to establish a grant program to expand lead agency capacity to support people with disabilities to contemplate, explore, and maintain competitive, integrated employment options. Lists allowable uses of funds.

Provides a July 1, 2023, effective date.

6 Provider capacity grants for rural and underserved communities.

Creates § 256.4761.

Subd. 1. Establishment and authority. Requires the commissioner of human services to: (1) award grants to organizations that provide community-based

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services to rural or underserved communities; (2) conduct community engagement, provide technical assistance, and establish a collaborative learning community; (3) limit expenditures to the amount appropriated for this purpose; and (4) give priority to organizations that provide culturally specific and culturally responsive services or that serve historically underserved communities throughout the state. Requires grants to be used to build organizational capacity to provide home and community-based services in the state and to build new or expanded infrastructure to access MA reimbursement.

Subd. 2. Eligibility. Lists eligibility criteria grantees must meet.

Subd. 3. Allowable grant activities. Lists allowable grant activities.

7 Supporting new Americans in the long-term care workforce grants.

Creates § 256.4762.

Subd. 1. Definition. Defines “new American” for purposes of this grant.

Subd. 2. Grant program established. Requires the commissioner of human services to establish a grant program for organizations that support immigrants, refugees, and new Americans interested in entering the long-term care workforce.

Subd. 3. Eligibility. Lists eligibility criteria applicants must meet. Requires the commissioner to prioritize applications from joint labor management programs.

Subd. 4. Allowable grant activities. Lists allowable grant activities.

8 MnCHOICES assessor qualifications, training, and certification.

Amends § 256B.0911, subd. 13. Modifies MnCHOICES certified assessor qualifications by removing a requirement that a certified assessor have at least one year of home and community-based experience.

9 Eligibility for funding for services for non-medical assistance recipients.

Amends § 256B.0913, subd. 4. Modifies the alternative care monthly service limit for persons participating in consumer-directed community supports (CDCS) to make it equal to the monthly service rate limit for persons not participating in CDCS, with certain exceptions.

Provides a January 1, 2024, effective date.

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- 10 Services covered under alternative care.**
Amends § 256B.0913, subd. 5. Makes a conforming change related to alternative care monthly service limits for persons participating in CDCS.

Provides a January 1, 2024, effective date.
- 11 Case management services.**
Amends § 256B.092, subd. 1a. Modifies case manager training requirements under the MA developmental disabilities waiver to increase the annual training requirement from ten to 20 hours. Requires the training to include employment planning, community living planning, self-direction option, and use of technology supports. Requires case managers to document completion of training in a system identified by the commissioner of human services.
- 12 EIDBI provider qualifications.**
Amends § 256B.0949, subd. 15. Modifies the qualifications for a level II treatment provider to include an individual certified by a Tribal nation.

Makes this section effective January 1, 2024, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.
- 13 Case management.**
Amends § 256B.49, subd. 13. Modifies case manager training requirements under the MA BI, CAC, and CADI waivers to increase the annual training requirement from ten to 20 hours. Requires the training to include employment planning, community living planning, self-direction option, and use of technology supports. Requires case managers to document completion of training in a system identified by the commissioner of human services.
- 14 Informed choice in employment policy.**
Amends § 256B.4905, subd. 4a. Specifies it is the policy of this state that working-age individuals who have disabilities will be offered benefits planning assistance and supports to understand available work incentive programs and to understand the impact of work on benefits.
- 15 Employment first implementation for disability waiver services.**
Amends § 256B.4905, subd. 5a. By August 1, 2024, requires all case managers to complete an employment support training course identified by the commissioner. For case managers hired by a lead agency after August 1, 2024, requires the training to be completed within the first 120 days of providing case management services.

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- Requires lead agencies to document completion of the training for all case managers in a tracking system identified by the commissioner.
- 16 **Subminimum wages in home and community-based services prohibition; requirements.**
Creates § 256B. 4906.
- Subd. 1. Subminimum wage outcome reporting.** Requires disability waiver services providers that hold credentials that authorize the payment of subminimum wages to workers with disabilities to submit data to the commissioner on individuals who are currently being paid subminimum wages or were being paid subminimum wages by the provider organization as of August 1, 2023. Lists the data that must be submitted; requires the data to be submitted in a format determined by the commissioner; requires providers to submit the data annually on a date specified by the commissioner; specifies the data classification of individually identifiable data submitted under this section; and requires the commissioner to analyze data annually for tracking employment and community-life engagement outcomes.
- Subd. 2. Prohibition of subminimum wages.** Prohibits home and community-based services providers from paying a person with a disability wages below the state minimum wage, or below the prevailing local minimum wage on the basis of the person’s disability. Specifies that a special certificate authorizing payment of less than the minimum wage to a person with a disability is without effect as of August 1, 2028.
- 17 **Direct support worker annual labor market survey.**
Amends § 256B.4912, by adding subd. 1b. Requires the commissioner to develop and administer a survey of direct care staff who work for organizations that provide services under specified programs, including MA waivers, alternative care, PCA services, home health services, home care nursing, and financial management services. Specifies the information the survey must collect. Defines “direct care staff.” Requires the commissioner to analyze data submitted under this section annually to assess the overall economic viability and well-being of the workforce and the impact of the state of workforce on access to services. Specifies individually identifiable data submitted to the commissioner are considered private data on individuals under the Government Data Practices Act.
- 18 **Annual labor market report.**
Amends § 256B.4912, by adding subd. 1c. Requires the commissioner to publish annual reports on provider and state-level labor market data.

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19 Applicable services.

Amends § 256B.4914, subd. 3. Modifies the list of services to which the disability waiver rate system (DWRS) applies by adding life-sharing.

Makes this section effective January 1, 2026, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.

20 Base wage index; establishment and updates.

Amends § 256B.4914, subd. 5. Modifies the timeline of future inflationary adjustments to the DWRS base wage index.

Makes this section effective January 1, 2024, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.

21 Base wage index; calculations.

Amends § 256B.4914, subd. 5a. Removes the base wage calculation for asleep-overnight staff for family residential services and modifies calculations for positive supports analyst staff, positive supports professional staff, and positive supports specialist staff under DWRS.

Makes the changes in base wage index calculations for positive supports staff effective January 1, 2024, or upon federal approval, whichever is later. Makes removal of the base wage index calculation for asleep-overnight staff effective January 1, 2026, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.

22 Standard component value adjustments.

Amends § 256B.4914, subd. 5b. Includes life-sharing services in the list of component values that are periodically adjusted for inflation. Modifies the timeline for future inflationary adjustments to the standard component values under DWRS.

Makes the addition of life-sharing services effective January 1, 2026, or upon federal approval, whichever is later. Makes changes to the inflationary adjustment timeline effective January 1, 2024, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.

23 Competitive workforce factor updates and adjustments.

Amends §256B.4914, subd. 5f. Requires the commissioner to adjust the competitive workforce factor under certain DWRS services beginning January 1, 2025, and every

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two years thereafter. Requires the competitive workforce factor to be the value determined in the most recent competitive workforce factor analysis and report.

Makes this section effective January 1, 2024, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.

24 Residential support services.

Amends § 256B.4914, subd. 6. Removes family residential services from residential support services. Family residential services are moved to a new subdivision 19.

Makes this section effective January 1, 2026, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.

25 Unit-based services with programming; component values and calculation of payment rates.

Amends § 256B.4914, subd. 8. Increases the competitive workforce factor for unit-based services with programming under DWRS.

Makes this section effective January 1, 2024, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.

26 Unit-based services without programming; component values and calculation of payment rates.

Amends § 256B.4914, subd. 9. Increases the competitive workforce factor for unit-based services without programming under DWRS.

Makes this section effective January 1, 2024, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.

27 Respite services; component values and calculation of payment rates.

Amends § 256B.4914, subd. 9a. Increases the competitive workforce factor for respite services under DWRS.

Makes this section effective January 1, 2024, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.

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28 Exceptions.

Amends § 256B.4914, subd. 14. Specifies life-sharing rates are not eligible for a rate exception.

Makes this section effective January 1, 2026, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.

29 Payments for family residential and life-sharing services.

Amends § 256B.4914, by adding subd. 19. Requires the commissioner to establish rates for family residential services and life-sharing services based on a person's assessed need. Requires rates for life-sharing services to be ten percent higher than the corresponding family residential services rate.

Makes this section effective January 1, 2026, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.

30 ICF/DD rate transition.

Amends § 256B.5012, by adding subd. 19. Establishes a minimum daily operating rate for ICF/DDs equal to \$260 effective January 1, 2024. Requires the rate to be updated for inflation every two years beginning January 1, 2026.

Makes this section effective January 1, 2024, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.

31 Services provided by parents and spouses.

Amends § 256B.85, by adding subd. 7b. Paragraph (a) specifies the services and supports to which this subdivision applies.

Paragraph (b) specifies the maximum number of hours parents may provide personal assistance services to a minor child in a seven-day period if multiple parents are providing services.

Paragraph (c) specifies the maximum number of hours a parent may provide to a minor child in a seven-day period if only one parent is providing services.

Paragraph (d) specifies the maximum number of hours of service a spouse may provide in a seven-day period.

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Paragraph (e) prohibits this subdivision from being construed as permitting an increase in either the total authorized CFSS budget for an individual or the number of authorized service units.

Paragraph (f) prohibits a parent or spouse from receiving a wage that exceeds the current rate for a CFSS support worker, including the wage, benefits, and payroll taxes.

Makes this section effective on January 1, 2024, or upon federal approval, whichever is later. Requires the commissioner of human services to inform the revisor of statutes when federal approval is obtained.

32 Payment rates; component values.

Amends § 256B.851, subd. 5. Modifies the implementation components under the payment rate methodology for PCA and CFSS services. Adds a worker retention component effective January 1, 2025. Requires the commissioner to define the appropriate worker retention component based on the total number of units billed for services rendered by the individual provider since July 1, 2017. Requires the worker retention component to be determined by the commissioner for each individual provider and is not subject to appeal.

Makes the changes to the implementation components effective January 1, 2024, or upon federal approval, whichever is later. Makes the addition of the worker retention component effective January 1, 2025, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.

33 Payment rates; rate determination.

Amends § 256B.851, subd. 6. Modifies the PCA/CFSS payment rate calculation by including the worker retention component.

Makes this section effective January 1, 2025, or 90 days after federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.

34 Persons entitled to receive aid.

Amends § 256D.425, subd. 1. Allows a person who is receiving MSA benefits in the month prior to becoming eligible for continuing Medicaid coverage to be eligible for MSA payments while they remain in continuing Medicaid coverage status.

Provides an immediate effective date.

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- 35 **External fixed costs payment rate.**
Amends § 256R.25. Modifies the nursing facility external fixed costs payment rate by including the rate adjustment for critical access nursing facilities.
- 36 **Rate adjustment for critical access nursing facilities.**
Amends § 256R.47. Modifies critical access nursing facility adjustments. Allows for a supplemental payment above a facility’s operating payment rate as determined to be necessary by the commissioner for facilities designated as critical access nursing facilities. Requires the commissioner to approve the supplemental payment amounts through a memorandum of understanding. Requires the supplemental payments to be time-limited rate adjustments included in the external fixed costs payment rate. Requires the designation of a critical access nursing facility to be removed if the facility undergoes a change of ownership.
- 37 **Foster care limit.**
Amends § 256S.15, subd. 2. Makes a conforming cross-reference change.
- 38 **Monthly case mix budget caps for consumer-directed community supports.**
Amends § 256S.18, by adding subd. 3a. Modifies case mix budget caps for CDCS under the elderly waiver payment methodology.

Provides a January 1, 2024, effective date.
- 39 **Calculation of monthly conversion budget caps.**
Amends § 256S.19, subd. 3. Modifies conversion budget caps for individuals participating in CDCS under the elderly waiver.

Provides a January 1, 2024, effective date.
- 40 **Capitation payments.**
Amends § 256S.203, subd. 1. Makes a conforming change related to the establishment of assisted living facility closure payments.

Makes this section effective January 1, 2024, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.
- 41 **Reimbursement rates.**
Amends § 256S.203, subd. 3. Makes a conforming change related to the establishment of assisted living facility closure payments.

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Makes this section effective January 1, 2024, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.

42 Assisted living facility closure payments.

Creates § 256S.206.

Subd. 1. Assisted living facility closure payments provided. Requires the commissioner to establish a special payment program to support licensed assisted living facilities who serve MA waiver participants when the assisted living facility is acting to close the facility under the section of statutes governing assisted living facility planned closures.

Subd. 2. Definitions. Defines “closure period,” “eligible claim,” and “eligible facility.”

Subd. 3. Application. Lays out the process to apply for assisted living facility closure payments.

Subd. 4. Issuing closure payments. Requires the commissioner and managed care organizations to increase the payment for eligible claims by 50 percent during the eligible facility’s closure period.

Subd. 5. Interagency coordination. Requires the commissioner to coordinate assisted living facility closure payment activities with any impacted state agencies and lead agencies.

Makes this section effective January 1, 2024, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.

43 Rate setting; application; evaluation.

Amends §256S.21. Requires the commissioner, in consultation with stakeholders, to evaluate certain elderly waiver rate setting elements beginning January 1, 2024, and every two years thereafter. Requires the commissioner to report to the legislature with a full report on elderly waiver rate setting beginning January 15, 2026, and every two years thereafter.

Provides a January 1, 2024, effective date.

44 Rate setting; phase-in.

Amends § 256S.2101. Modifies the phase-in of the new rate setting methodology for elderly waiver payment rates. Except for BI customized living services and CADI customized living services, requires at least 80 percent of the marginal increase in

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revenue from implementing the adjustments to the elderly waiver rate phase-in and service rate inflationary adjustments to be used to increase compensation-related costs for employees directly employed by the provider. Lists the items included in compensation-related costs. Specifies that compensation-related costs for persons employed in the central office of an entity that has an ownership interest in the provider or exercises control over the provider, or for persons paid by the provider under a management contract, do not count toward the 80 percent requirement. Requires providers that receive additional revenue subject to the 80 percent requirement to: (1) prepare a distribution plan that specifies the amount of money received and how that money was distributed to increase compensation-related costs for employees; and (2) post the distribution plan.

Provides a January 1, 2024, effective date.

45 Updating service rates.

Amends § 256S.211, by adding subd. 3. Requires the commissioner to recalculate elderly waiver service rates and component rates for inflation beginning January 1, 2024, and every two years thereafter.

Provides a January 1, 2024, effective date.

46 Updating home-delivered meals rate.

Amends § 256S.211, by adding subd. 4. Requires the commissioner to annually update the home-delivered meals rate by the percent increase in the nursing facility dietary per diem using the two most recent and available nursing facility cost reports.

Provides a January 1, 2024, effective date.

47 Rate setting; base wage index.

Amends § 256S.212. Modifies base wage calculations for various positions and establishes a base wage calculation for adult day services under the elderly waiver payment rate methodology.

Provides a January 1, 2024, effective date.

48 Rate setting; factors.

Amends § 256S.213. Modifies the general and administrative factor and program plan support factor under the elderly waiver payment rate methodology. Modifies terminology. Establishes a facility and equipment factor; food, supplies, and transportation factor; supplies and transportation factor; and an absence factor.

Provides a January 1, 2024, effective date.

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49 Rate setting; adjusted base wage.

Amends § 256S.214. Modifies the adjusted base wage calculation under the elderly waiver payment rate methodology.

Provides a January 1, 2024, effective date.

50 Home management and support services component rate.

Amends § 256S.215, subd. 2. Modifies the home management and support services component rate calculation under the elderly waiver payment rate methodology.

51 Home care aide services component rate.

Amends § 256S.215, subd. 3. Modifies the home care aide services component rate calculation under the elderly waiver payment rate methodology.

Provides a January 1, 2024, effective date.

52 Home health aide services component rate.

Amends § 256S.215, subd. 4. Modifies the home health aide services component rate calculation under the elderly waiver payment rate methodology.

Provides a January 1, 2024, effective date.

53 Chore services rate.

Amends § 256S.215, subd. 7. Modifies the chore services component rate calculation under the elderly waiver payment rate methodology.

Provides a January 1, 2024, effective date.

54 Companion services rate.

Amends § 256S.215, subd. 8. Modifies the companion services component rate calculation under the elderly waiver payment rate methodology.

Provides a January 1, 2024, effective date.

55 Homemaker assistance with personal care rate.

Amends § 256S.215, subd. 9. Modifies the homemaker assistance with personal care component rate calculation under the elderly waiver payment rate methodology.

Provides a January 1, 2024, effective date.

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- 56 Homemaker cleaning rate.**
Amends § 256S.215, subd. 10. Modifies the homemaker cleaning component rate calculation under the elderly waiver payment rate methodology.

Provides a January 1, 2024, effective date.
- 57 Homemaker home management.**
Amends § 256S.215, subd. 11. Modifies the homemaker home management component rate calculation under the elderly waiver payment rate methodology.

Provides a January 1, 2024, effective date.
- 58 In-home respite care services rates.**
Amends § 256S.215, subd. 12. Modifies the in-home respite care services component rate calculation under the elderly waiver payment rate methodology.

Provides a January 1, 2024, effective date.
- 59 Out-of-home respite care services rates.**
Amends § 256S.215, subd. 13. Modifies the out-of-home respite care services component rate calculation under the elderly waiver payment rate methodology.

Provides a January 1, 2024, effective date.
- 60 Individual community living support rate.**
Amends § 256S.215, subd. 14. Modifies the individual community living support component rate calculation under the elderly waiver payment rate methodology.

Provides a January 1, 2024, effective date.
- 61 Home-delivered meals rate.**
Amends § 256S.215, subd. 15. Modifies the home-delivered meals component rate calculation under the elderly waiver payment rate methodology.

Provides a January 1, 2024, effective date.
- 62 Adult day services rate.**
Amends § 256S.215, subd. 16. Modifies the adult day services component rate calculation under the elderly waiver payment rate methodology.

Provides a January 1, 2024, effective date.

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- 63 **Adult day services bath rate.**
Amends § 256S.215, subd. 17. Modifies the adult day services bath component rate calculation under the elderly waiver payment rate methodology.

Provides a January 1, 2024, effective date.
- 64 **Use of data.**
Amends § 268.19, subd. 1. Allows data gathered under the administration of the Minnesota Unemployment Insurance Law to be disseminated to and used by DHS for the purpose of evaluating MA services and supporting program improvement.
- 65 **Governor’s Council on an Age-Friendly Minnesota.**
Amends Laws 2021, ch. 30, art. 12, § 5, as amended by Laws 2021, First Special Session ch. 7, art. 17, § 2. Extends the expiration date of the Governor’s Council on an Age-Friendly Minnesota from June 30, 2024, to June 30, 2027.
- 66 **Age-friendly Minnesota.**
Amends Laws 2021, First Special Session ch. 7, art. 17, § 8. Modifies the general fund base appropriations for the age-friendly community grant program and technical assistance grants for fiscal year 2025 and sets base appropriations for fiscal years 2026-2028. Extends the expiration date of the grants.
- 67 **Research on access to long-term care services and financing.**
Amends Laws 2021, First Special Session ch. 7, art. 17, § 16. Allows any unexpended amount appropriated in fiscal year 2023 for research on access to long-term care services and financing to be available through June 30, 2024.
- 68 **Early intensive developmental and behavioral intervention (EIDBI) licensure study.**
Requires the commissioner of human services to: (1) review the MA EIDBI service and evaluate the need for licensure or other regulatory modifications; (2) consult with interested stakeholders; and (3) convene stakeholder meetings to obtain feedback on licensure or regulatory recommendations. Lists the items that must be included in the evaluation.

Provides a July 1, 2023, effective date.
- 69 **Study to expand access to services for people with co-occurring behavioral health conditions and disabilities.**
Requires the commissioner of human services to evaluate options to expand services authorized under the MA waivers. Allows the evaluation to include options to authorize services under the MA state plan and strategies to decrease the number of

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- people who remain in hospitals, jails, and other acute or crisis settings when they no longer meet medical or other necessary criteria.
- 70 **Self-directed worker contract ratification**
Ratifies the labor agreement between the State of Minnesota and SEIU Healthcare Minnesota that was submitted to the Legislative Coordinating Commission on February 27, 2023.
- 71 **Specialized equipment and supplies limit increase.**
Requires the commissioner of human services to increase the annual limit for specialized equipment and supplies under the MA waiver plans, alternative care, and essential community supports to \$10,000.

Makes this section effective January 1, 2024, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.
- 72 **Temporary grant for small customized living providers.**
Requires the commissioner of human services to establish a temporary grant for customized living providers that serve six or fewer people in a single-family home and that are transitioning to a community residential setting licensure or integrated community supports licensure. Lists allowable uses of grant money. Requires license holders of eligible settings to apply to the commissioner using an application process determined by the commissioner. Limits grants to \$20,000 per eligible setting and specifies grants are onetime. Allows the commissioner to approve grant applications on a rolling basis.
- 73 **Interagency employment supports alignment study.**
Requires the commissioners of human services, employment and economic development, and education to conduct an interagency alignment study on employment supports for people with disabilities. Lists the topics the study must evaluate.
- 74 **Monitoring employment outcomes.**
By January 15, 2025, requires DHS, DEED, and MDE to provide the chairs and ranking minority members of the legislative committees with jurisdiction over health, human services, and labor with a plan for tracking employment outcomes for people with disabilities served by programs administered by those agencies. Requires the plan to include any needed changes to state law to track supports received and outcomes across programs.

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- 75 **Phase-out of the use of subminimum wage for medical assistance disability services.**
Requires the commissioner of human services to seek all necessary amendments to the MA disability waiver plans to require that people receiving prevocational or employment support services are compensated at or above the state minimum wage or at or above the prevailing local minimum wage no later than August 1, 2028.
- 76 **Study on presumptive eligibility for long-term services and supports.**
Requires the commissioner of human services to study presumptive functional eligibility for people with disabilities and older adults for MA, alternative care, essential community supports, and home and community-based services. Lists the topics that must be evaluated in the presumptive eligibility study. Requires the commissioner to report recommendations and draft legislation to the legislature by January 15, 2025.
- 77 **Repealer.**
Repeals Minn. Stat. § 256B.4914, subd. 6b (family residential services; component values and calculation of payment rates), effective January 1, 2026, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.

Repeals Minn. Stat. § 256S.19, subd. 4 (calculation of monthly conversion budget cap with CDCS), effective January 1, 2024.

Article 2: Aging and Disability Services

This article includes changes to home and community-based services corporate license application fees, MA-EPD, NEMT, adult protection grant allocations, and nursing facility case mix indices.

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- 1 **Application fee for initial license or certification.**
Amends § 245A.10, subd. 3. Increases the home and community-based services corporate license application fee to align the fee with the MDH fee for a comparable license.
- 2 **Asset limitations for certain individuals.**
Amends § 256B.056, subd. 3. Removes language disregarding the income of a spouse of a person enrolled in MA-EPD during each of the 24 consecutive months before the

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person's 65th birthday when determining eligibility for MA under the aged, blind, or persons with disabilities category.

Provides an immediate effective date.

3 Employed persons with disabilities.

Amends § 256B.057, subd. 9. Authorizes the commissioner to determine that a premium amount was calculated or billed in error, make corrections to financial records and billing systems, and refund premiums collected in error.

Provides an immediate effective date.

4 Transportation costs.

Amends § 256B.0625, subd. 17. The amendment to paragraph (m) increases NEMT payments rates as follows:

- for unassisted transport when provided by an NEMT provider, from \$11 to \$13.20 for the base rate and from \$1.30 to \$1.56 per mile;
- for assisted transport, from \$13 to \$15.60 for the base rate and from \$1.30 to \$1.56 per mile; and
- for lift-equipped/ramp transport, from \$18 to \$21.60 for the base rate and from \$1.55 to \$1.86 per mile.

A new paragraph (r) requires the commissioner, effective the first day of each calendar quarter in which the price of gasoline exceeds \$3.00 per gallon, to adjust the mileage rate paid for nonemergency medical transportation by one percent, up or down, for every increase or decrease of ten cents in the price of gasoline. Specifies the methodology to be used for these adjustments.

Provides a January 1, 2024, effective date.

5 Documentation required.

Amends § 256B.0625, subd. 17b. Modifies the documentation requirements for NEMT providers. The section:

- allows the commissioner to recover program funds paid for services that are not documented (current law requires this to be done);
- requires that the name of the driver be provided in a manner sufficient to distinguish the driver or the driver's provider number (replacing a requirement that the printed last name, first name, and middle initial be provided);
- modifies the attestation requirements for the driver and the recipient or authorized party; and

Section Description - Article 2: Aging and Disability Services

- makes other clarifying changes, including changes related to odometer readings and documentation of the most direct route.

Also states that in determining whether the commissioner will seek recovery, the documentation requirements apply retroactively to audit findings beginning January 1, 2020, and to all audit findings thereafter.

6 Access to medical services.

Amends § 256B.0625, subd. 18a. Sets MA reimbursement for meals for persons traveling to access medical care at the amounts provided in state collective bargaining agreements; strikes specific dollar amounts in law.

Provides a January 1, 2024, effective date.

7 Nonemergency medical transportation provisions related to managed care.

Amends § 256B.0625, subd. 18h. Requires managed care and county-based purchasing plans to provide a fuel adjustment for nonemergency medical transportation payment rates when the price of gasoline exceeds \$3.00 per gallon. Specifies procedures for capitation rate adjustments and recovery of payments if federal approval is not received for any contract year, and states that this paragraph expires if federal approval is not received.

Provides a July 1, 2024, effective date.

8 Adult protection grant allocations.

Amends § 256M.42. Makes technical and clarifying changes. Prohibits a county from being awarded less than a minimum allocation established by the commissioner. Requires participating Tribal Nations to apply to the commissioner to receive adult protection grant allocations. Requires the commissioner to award \$100,000 to each federally recognized Tribal Nation with a Tribal resolution establishing a vulnerable adult protection program. Requires money received by a Tribal Nation to be used for its vulnerable adult protection program. Requires state funds to be used to expand the base of county expenditures for adult protection programs, service interventions, or multidisciplinary teams. Requires the commissioner to set vulnerable adult protection measures and standards for adult protection grant allocations. Lists standards. Specifies requirements an underperforming county must meet. Allows the commissioner to redirect up to 20 percent of a county's allocation toward a performance improvement plan. Requires Tribal Nations to establish vulnerable adult protection measures and standards and report annually to the commissioner on outcomes and the number of adults served.

Provides a July 1, 2023, effective date.

Section Description - Article 2: Aging and Disability Services

9 Case mix indices.

Amends § 256R.17, subd. 2. Allows for the transition of nursing facility payment rates to a new case mix classification system for nursing facility residents. This transition is necessary because the federal government will no longer support the current case mix classification system as of October 2023.

Article 3: Behavioral Health

This article modifies provisions in chapter 245G related to substance use disorder (SUD) treatment program requirements, licensing, and comprehensive assessments, and in chapter 245I related to mental health certified peer specialist and recovery peer qualifications and certification, and diagnostic assessments. It also modifies SUD treatment services requirements and rates for behavioral health fund payment, establishes a sober home registry and related requirements, requires nonresidential SUD treatment programs that receive payment under MA to enroll in a federal demonstration project, modifies Opiate Epidemic Response Advisory Council membership and grantmaking requirements, and directs the commissioner to update, increase, and revise specified rates.

Section Description - Article 3: Behavioral Health

1 American Society of Addiction Medicine criteria or ASAM criteria.

Amends § 245G.01 by adding subd. 1a. Adds definition of “American Society of Addiction Medicine criteria or ASAM criteria” in SUD treatment licensing chapter.

2 Protective factors.

Amends § 245G.01 by adding subd. 20c. Adds definition of “protective factors” in SUD treatment licensing chapter.

3 Comprehensive assessment.

Amends § 245G.05, subd. 1. Increases the time for a comprehensive assessment from three days to five days after service initiation; specifies that the number of days excludes the day of service initiation. Removes language regarding comprehensive assessment requirements, to move to new subdivision. Requires that an alcohol and drug counselor sign and date the comprehensive assessment review and update.

4 Comprehensive assessment requirements.

Amends § 245G.05 by adding subd. 3. Modifies comprehensive assessment requirements. Requires comprehensive assessments to meet specified requirements of diagnostic assessments, and to include:

Section Description - Article 3: Behavioral Health

- 1) a diagnosis of SUD or finding that the client does not meet criteria for SUD;
- 2) a determination regarding co-occurring mental health disorders; and
- 3) a recommendation for the ASAM level of care.

Also requires a program to provide listed educational material to the client within 24 hours, if the client is assessed for opioid use disorder.

5 General.

Amends § 245G.06, subd. 1. Modifies time frames by which an SUD treatment provider must develop an individual treatment plan for a client.

6 Individual treatment plan contents and process.

Amends § 245G.06 by adding subd. 1a. Specifies individual treatment plan requirements and what individual treatment plans must identify for each client.

7 Treatment plan review.

Amends § 245G.06, subd. 3. Modifies treatment plan review requirements. Removes weekly entry requirement and reference to six dimensions for assessments. Adds requirement to include toxicology results, if available; clarifies others whose participation must be documented; requires documentation of referrals made since the previous treatment plan review.

8 Frequency of treatment plan review.

Amends § 245G.06 by adding subd. 3a. Establishes treatment plan review frequency requirements for clients in residential treatment programs, once every 14 days. Requires treatment plan reviews for clients' nonresidential treatment at varying frequencies depending on client need and level of care.

9 Additional treatment service.

Amends § 245G.07, subd. 2. Modifies cross-reference to new peer recovery qualifications. Makes this section effective upon federal approval.

10 Nonmedication treatment services; documentation.

Amends § 245G.22, subd. 15. Modifies individual and group counseling requirements for nonmedication opioid treatment services. Requires documentation of each offer of counseling services and of services provided. Strikes reference to six dimensions for assessments.

Section Description - Article 3: Behavioral Health

- 11 Mental health certified peer specialist qualifications.**
Amends § 245I.04, subd. 10. Modifies mental health certified peer specialist qualifications to require certified peers to hold a current credential from the Minnesota Certification Board.
- 12 Peer recovery qualifications.**
Amends § 245I.04, subd. 18. Requires recovery peers to:
- 1) have a minimum of one year in recovery from SUD; and
 - 2) hold a current credential from the Minnesota Certification Board, the Upper Midwest Indian Council on Addictive Disorders, or the National Association for Alcoholism and Drug Abuse Counselors.
- Requires a recovery peer with a credential from a Tribal Nation to hold a credential listed in clause (2).
- 13 Peer recovery scope of practice.**
Amends § 245I.04 by adding subd. 19. Requires recovery peers to:
- 1) provide individualized peer support;
 - 2) promote a client’s recovery goals, self-sufficiency, self-advocacy, and development of natural supports; and
 - 3) support a client’s maintenance of skills.
- 14 Standard diagnostic assessment; required elements.**
Amends § 245I.10, subd. 6. Permits an alcohol and drug counselor to gather and document listed information when completing a comprehensive assessment. Adds information about withdrawal and other health symptoms; adds substance use and SUD assessment items.
- 15 American Society of Addiction Medicine criteria or ASAM criteria.**
Amends § 254B.01 by adding subd. 2a. Adds definition of “American Society of Addiction Medicine criteria or ASAM criteria” in SUD treatment chapter.
- 16 Recovery community organization.**
Amends § 254B.01, subd. 8. Adds that a recovery community organization must be a nonprofit; updates terminology.
- 17 Skilled treatment services.**
Amends § 254B.01 by adding subd. 9. Adds definition of “skilled treatment services” in SUD treatment chapter.

Section Description - Article 3: Behavioral Health

- 18 **Sober home.**
Amends § 254B.01 by adding subd. 10. Adds definition of “sober home” in SUD treatment chapter.
- 19 **Comprehensive assessment.**
Amends § 254B.01 by adding subd. 11. Adds definition of “comprehensive assessment” in SUD treatment chapter.
- 20 **Licensure required.**
Amends § 254B.05, subd. 1. Specifies that a county is an eligible vendor of peer recovery services when services are provided by individuals who meet statutory qualifications.

Lists qualifications for recovery community organizations to be eligible vendors; requires recovery community organization eligible vendors to meet membership or accreditation requirements of the Association of Recovery Community Organizations, the Council on Accreditation of Peer Recovery Support Services, or a Minnesota statewide recovery community organization identified by the commissioner.

Allows a recovery community organization to appeal for reconsideration as an eligible vendor if denied.
- 21 **Room and board provider requirements.**
Amends § 254B.05, subd. 1a. Removes obsolete date; adds that children’s residential services programs are eligible vendors of room and board under the behavioral health fund.

Makes this section effective July 1, 2023.
- 22 **Rate requirements.**
Amends § 254B.05, subd. 5. Updates cross-reference to licensed outpatient treatment services; adds ASAM levels of care to SUD treatment services eligible for payment under chapter 254B; updates terminology and makes clarifying and technical changes; removes treatment services in clauses (7) and (8).
- 23 **Substance use disorder infrastructure and capacity-building grants.**
Proposes coding for § 254B.17. Establishes start-up and capacity-building grants for prospective or new recovery community organizations serving or intending to serve culturally specific or population-specific recovery communities.

Section Description - Article 3: Behavioral Health

Subd. 1. Culturally responsive recovery community grants. Establishes grant program; lists eligible uses for grant funds related to staffing, infrastructure, operations, and community and educational outreach.

Subd. 2. Withdrawal management start-up and capacity-building grants. Establishes start-up and capacity-building grants for prospective or new withdrawal management programs that will meet medically monitored or clinically monitored levels of care; lists eligible uses of grant funds related to staffing, infrastructure, and operations.

Makes this section effective July 1, 2023.

24 Sober homes.

Proposes coding for § 254B.18. Establishes sober home requirements, certification, registry, resident bill of rights, and private right of action.

Subd. 1. Requirements. Lists requirements for sober homes; requires all sober homes to register with DHS.

Subd. 2. Certification. Requires the commissioner to establish a certification program for sober homes, which would be mandatory for any sober home receiving state, federal, or local funding. Lists what the certification requirements must include; requires certification renewal every three years.

Subd. 3. Registry. Requires the commissioner to create a registry listing certified sober homes; specifies information that must be included in the registry.

Subd. 4. Bill of rights. Lists the rights of individuals living in sober homes.

Subd. 5. Private right of action. Allows an individual to bring an action to recover damages caused by a violation of this section; specifies that a prevailing individual will receive double damages, costs, disbursements, attorney fees, and any other equitable relief the court deems appropriate.

25 American Society of Addiction Medicine standards of care.

Proposes coding for § 254B.19. Requires eligible vendors to implement the standards set by the ASAM for the respective level of care, for each client assigned an ASAM level of care. Lists additional requirements for ASAM levels 0.5, 1.0, 2.1, 2.5, 3.1, 3.3, 3.5, 3.2, and 3.7.

Requires a license holder to document formal patient referral arrangement agreements for specified ASAM levels of care not provided by the license holder.

Section Description - Article 3: Behavioral Health

- Requires documentation of evidence-based practice utilization; lists required elements.
- Requires eligible vendors providing services under ASAM levels of care to have a program outreach plan; lists plan requirements.
- 26 **Membership.**
Amends § 256.042, subd. 2. Modifies Opiate Epidemic Response Advisory Council (OERAC) provisions to increase membership from 19 to 30, increase the number of members representing Tribes from two to 11, add two members representing urban American Indian populations, and reduce the proportion of members that must reside outside of the seven-county metropolitan area from one-half to one-third.
- 27 **Grants.**
Amends § 256.042, subd. 4. Adds requirement for the commissioner to award at least 50 percent of OERAC grants to projects focused on addressing the opioid crisis among Black and Indigenous communities and communities of color.
- 28 **State agency hearings.**
Amends § 256.045, subd. 3. Adds aggrieved recovery community organization seeking behavioral health fund vendor eligibility to list of entities for whom a state agency hearing is available; specifies scope of judicial review.
- 29 **Eligibility.**
Amends § 256.478, subd. 2. Modifies transition to community initiative individual eligibility discharge settings, resulting from direct care and treatment facility name changes; adds psychiatric residential treatment facilities, IRTS, and children’s residential services.

Makes this section effective July 1, 2023.
- 30 **Scope.**
Amends § 256B.0615, subd. 1. Makes technical change.
- 31 **Certified peer specialist certification.**
Amends § 256B.0615, subd. 5. Replaces certification requirements with reference to qualification standards in chapter 245I and a credential from the Minnesota Certification Board.
- 32 **Provider participation.**
Amends § 256B.0759, subd. 2. Requires licensed nonresidential SUD treatment programs that receive payment under MA to enroll in the federal demonstration

Section Description - Article 3: Behavioral Health

- project and meet requirements by January 1, 2025, to remain eligible for MA payment.
- 33 **Rate increase for mental health adult day treatment.**
Directs the commissioner to increase the adult day treatment reimbursement rates by 50 percent over the June 30, 2023, rates.

Makes this section effective January 1, 2024, or upon federal approval, whichever is later.
- 34 **Room and board costs in children’s residential facilities.**
Requires the commissioner to update the behavioral health fund room and board rate schedule to include specified children’s residential facility services; requires rates to be commensurate with current room and board rates for adolescent SUD treatment programs.

Makes this section effective July 1, 2023.
- 35 **Revised payment methodology for opioid treatment programs.**
Requires the commissioner to revise the payment methodology for substance use services with medications for opioid use disorder. Specifies requirements for the revised payment methodology.

Makes this section effective January 1, 2024, or upon federal approval, whichever is later.
- 36 **Study on medical assistance traditional healing behavioral health services in correctional facilities and contingency management.**
Requires the commissioner, in consultation with stakeholders, to evaluate traditional healing behavioral health services in correctional facilities and contingency management under MA.
- 37 **Revisor instruction.**
Instructs the revisor to renumber and correct cross-references as necessary.
- 38 **Repealer.**
Repeals §§ 245G.06, subd. 2 (individual treatment plan contents); and 245G.11, subd. 8 (recovery peer qualifications).

Article 4: Department of Direct Care and Treatment

This article contains provisions related to establishing a new agency, the Department of Direct Care and Treatment, separating Direct Care and Treatment from the Department of Human Services.

Section Description - Article 4: Department of Direct Care and Treatment

1 Departments of the state.

Amends § 15.01. Adds the Department of Direct Care and Treatment to the list of agencies designated as departments of the state government.

Makes this section effective January 1, 2025.

2 Applicability.

Amends § 15.06, subd. 1. Adds the Department of Direct Care and Treatment to the list of departments or agencies.

Makes this section effective January 1, 2025.

3 Additional unclassified positions.

Amends § 43A.08, subd. 1a. Adds the Department of Direct Care and Treatment to the list of departments or agencies.

Makes this section effective January 1, 2025.

4 Title.

Proposes coding for § 246C.01. Provides citation for “Department of Direct Care & Treatment Act.”

5 Department of direct care and treatment; establishment.

Proposes coding for § 246C.02. Creates the Department of Direct Care and Treatment, to be headed by an executive board. Establishes executive board requirements and the scope of the department. Defines “community preparation services.”

Makes this section effective January 1, 2025.

6 Transition of authority; development of a board.

Proposes coding for § 246C.03.

Subd. 1. Authority until board is developed and powers defined. Specifies that DHS retains authority and responsibilities until legislation is effective that

Section Description - Article 4: Department of Direct Care and Treatment

develops the Department of Direct Care and Treatment executive board and defines powers and responsibilities of the board and the department.

Subd. 2. Development of Department of Direct Care and Treatment Board.

Requires the commissioner of human services to prepare legislation for the 2024 legislative session necessary to create and implement the new board and department. Limits the board to five members, appointed by the governor. Describes board member qualifications.

Makes this section effective July 1, 2023.

7 Transfer of duties.

Proposes coding for § 246C.04. Outlines requirements for transfer of duties between DHS and the new department. Specifies initial salary for the health systems CEO of the new department.

8 Successor and employee protection clause.

Proposes coding for § 246C.05. Outlines requirements for employees to be transferred to the new department from DHS. Specifies that all collective bargaining and compensation plans covering DHS employees continue in full force for transferred employees.

9 Revisor instruction.

Instructs the revisor, in consultation with nonpartisan legislative staff, to prepare legislation for the 2024 legislative session to propose statutory changes necessary to implement the transfer of duties to the new department.

Makes this section effective July 1, 2023.

Article 5: Forecast Adjustments

This article adjusts appropriations from the specified funds to the commissioner of human services in fiscal year 2023 for forecasted programs administered by the Department of Human Services.

Article 6: Appropriations

This article appropriates money in fiscal years 2024 and 2025 from the specified funds for specified purposes to the commissioner of human services.



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